

Revue

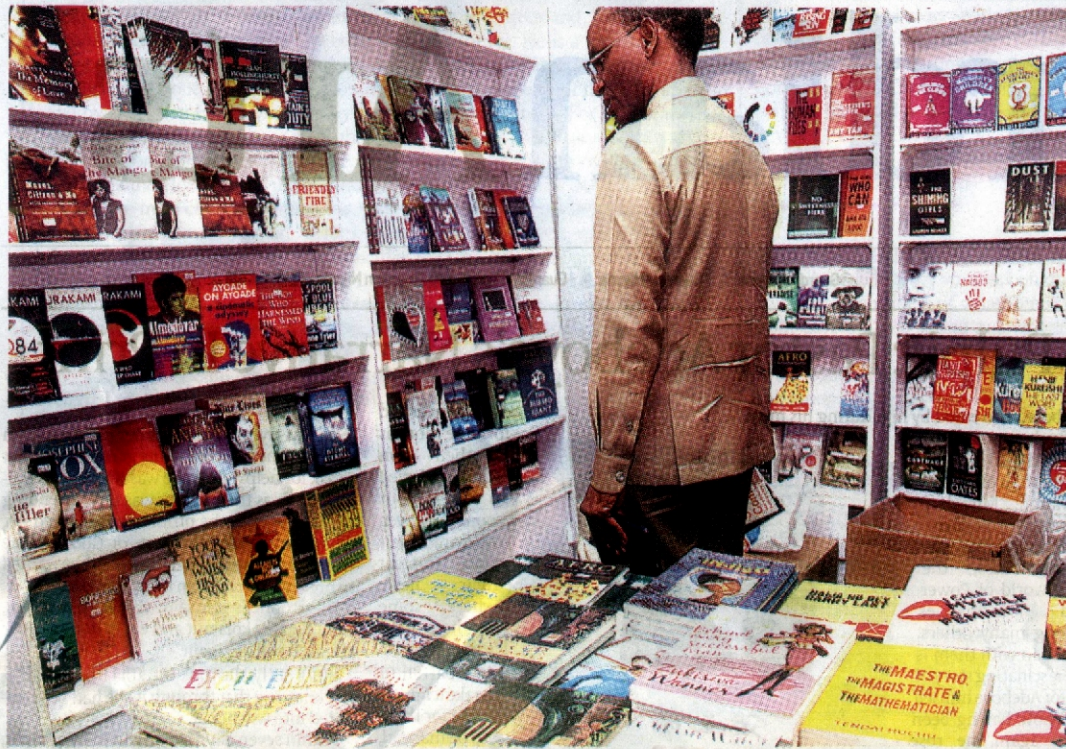
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Book Industry Reels In Debt As Publishers, Booksellers Bicker



By Anote Ajelurou (Assistant Arts Editor)

ONE of the sectors hard hit by Nigeria's dire economic situation is the book industry, especially the literary aspect. It is a critical sector that apathy to intellectual culture in the country has made all the more grave. With all raw materials sourced from abroad amid a worsening naira-to-dollar exchange rate, the country's book crisis continues to deepen. But while some stakeholders, especially publishers and authors, are digging in to find ways of surviving and keeping their businesses afloat, booksellers' mounting debt profile is threatening to cripple the book business altogether.

So, between publishers and booksellers or distributors, there is no love lost, as publishers accuse them of failing to remit monies even after they would have sold books supplied to them. Booksellers or distributors, on the other hand, cite poor sales figures and rising cost of running their business as reason they are sometimes unable to maintain their own part of the bargain to publishers. Meanwhile, the authors continue to mount pressure on publishers to pay royalties even as publishers are unable to collect monies from booksellers and distributors. The result is a vicious circle.

This sorry state of affairs has put the industry in some chaos. But publishers are getting wiser by the day, as they are fast adopting other measures to beat the trust issues they have with booksellers and distributors.

Femi Morgan, formerly of WriteHouse Collective, but now of Baron Café, estimates that booksellers and distributors may be in the debt of publishers to the tune of N9 million and still counting. His estimation is limited to books of creative fiction - novels and short stories, and po-

etry and a little of drama texts. Viewed against the background of an industry with about five or seven publishers - Farafina, Cassava Republic Press, Paressia Publishing, Delta Publishers Ltd, and a handful of smaller publishing companies - N9 million seems such a big deal.

For Enugu-based author and publisher, Mr. Dillibe Onyema (author of 1970s and 1980s occult and magical novels like *Juju, Nigger at Eton, Sex is a Nigger's Game, Secrete Society* and *Godfathers of Voodoo*), the crisis of debt in the book industry is alarming. And like his colleagues, he has resolved never to sell on credit or trust, with the hope that the booksellers will pay-on-demand. It's either cash and carry or no deal at all, as he has been hard hit by debts. He estimated that his publishing outfit, Delta Publishers Ltd, has lost over N500,000 to booksellers who simply refused to pay.

"You give them (booksellers) in good faith and they don't pay you," he lamented. "From Lagos to Enugu, Ibadan, Suleja to Calabar, it's the same story and it makes you wonder. So, we just cut them off. A small company like ours can't afford that sort of losses. So, we stopped giving credit. We have to have new strategies that have been working for us."

Onyema said he doubted if booksellers would be willing to speak on the issue so as "to avoid the disgrace of public exposure. Suffice to say that virtually all booksellers, including university outlets and government libraries, have a case to answer in this regard. Lagos and Ibadan reign supreme in bad debts."

But it is not only the booksellers and distributors that are in debt to these publishing firms. This much, former Chief Operating Officer of Farafina, Dr. Eghosa Imasuen, said. Schools also owe hugely, even when the school authorities would have collect monies from students for the purpose. While a publisher may rejoice at having his or her book as a school text, the reality is a different kettle of fish, when it is time to collecting money, especially when schools

are directly supplied books.

Imasuen, jocularly said, "*Them go owe person to penury!*" as being symptomatic of the mess publishers usually find in their relationship with booksellers and distributors. He, however, acknowledged that running a business like a bookshop could really be a tricky affair. He wondered just how they manage to balance the cost of running such an outfit and making profit and then being able to meet their obligations to publishers.

"All these businesses are difficult to run," he noted. "Their overhead must swamp them; the running cost and then you wonder why you are giving them your book; how are they going to pay with books that sell N2,000 and far too few copies to make any serious profits."

Imasuen noted that publishers and writers have found a way round the problem of booksellers and distributors' debt burden by being creative in their approach to the business of book circulation and sales.

"They have a few copies of their books at high profile bookshops as a marketing tool," he stated, "and they can then take the risk of not getting their money back. Let people know that the book exists."

With online stores like Konga and Jumia, Imasuen, Morgan and others in the publishing business say a new vista has opened for book sales that effectively cuts off the strain of chasing booksellers.

For Azafi Omoluabi-Ogosi of Parressia Publishers, it's a "green and fledgling industry" in spite of its many problems. Also acknowledging the debt burden as a disincentive for her work, Omoluabi-Ogosi said publishers are "learning to deal with those (booksellers and distributors) that are reliable. Some bookshops owe and there is always a fight to get money out. So, it's understanding the issue and dealing with

it. It's just to know that booksellers pay upfront or have a record of being reliable.

"We had to write off some debts completely. It was so frustrating. A single bookseller or distributor owing as much as N500,000 is too much, but it happens."

Omoluabi-Ogosi couldn't understand why anyone would owe a publisher such amount of money and still feel comfortable with himself or herself. A bookseller who once owed her couldn't come to ask for her more books; the fellow went to another distributor instead to get the said books and paid cash for the particular consignment. She said she was confounded at such behaviour.

"The fact is that they sell," she lamented. "They sell and they don't pay. We have some who pay upfront; others pay without prompting."

The boss of Parressia Publishers said the overall effect of debts on the book industry is huge, saying, "Production cost has tripled; our books can't be that cheap anymore. Cost of paper keeps increasing daily. It's not an easy time for publishers right now."

Like Imasuen and Morgan, Omoluabi-Ogosi said the online platforms are offering a leeway for publishers, adding, "It's a viable alternative and even doing better because you have better control. Dealing with Jumia and Konga is easy and you can even track your book sales"

RIGHT now, if you go to the defaulting booksellers, you will see that Nigerian titles are scarce in their stock," Morgan noted. "Only old and foreign titles are available. Publishers do not give them books because they don't pay. The issue of trust is no longer there. Publishers now prefer online stores like Jumia and Konga and getting people to take the books around. We can't do business the way we used to do it. A book can stay with a bookseller for three years without you getting a dime for it. After my books stayed for three years and after we quarrelled over it, the bookseller angrily gave me a cheque.

"I've personally lost N500,000 to booksellers, who failed to remit. Emotionally, integrity-wise, booksellers have put me in a lot of trouble with my friends."

Now, Morgan is smarter as a publisher with Baron Café, saying, "I'm managing it with all sense of sensitivity."

Like Imasuen, Morgan also has sympathy for booksellers and distributors. He noted that there is no funding support for some of them to do their businesses effectively, adding, "They pay bills. The society does not see value in the book chain to want to support it. However, there are two booksellers in Lagos that remit, one in Port Harcourt and another in Ibadan.

"Perhaps, there is a lack of serious accounting among booksellers, a lack of serious management. In the long run, it becomes a huge debt. Perhaps, booksellers are lavish with proceeds from books. They buy big cars, and even run for elections!"

Also for Morgan, publishers were already taking their destiny into their hands by sticking to cash-and-carry basis to forestall booksellers from owing at all. Also, Morgan said most book summits fail to include booksellers in the conversations about books, platforms that enable booksellers to talk about the problems they face in their bookselling business.

"We haven't engaged with booksellers," he submitted, "we need to listen to them. Our conversations are silent about booksellers. If, for instance, all the publishers sign a contract with all the booksellers, if any defaults, we can

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'...Booksellers Should Diversify Their Businesses For Multiple Streams Of Income'

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then see a way out."

Although Moses Ohiomokhare of Quintessence Book and art shop at Park View Estate, Ikoyi, Lagos, admitted that some bookshops owe publishers and authors, he was quick to point out that Quintessence pays as and when due, noting, "Our relationship with publishers and authors is very cordial. We pay as and when due; the same with our artists, too." Ohiomokhare said the edge Quintessence has is in the promotion it periodically gives authors of the books it sells as a way of promoting and making the books known to the reading public.

"The truth is that we promote books through our book-reading events. You have to expose books to readers, otherwise the books merely remain in the shelves. And it has been working for us. The truth again is that Nigerians read, but they need to know what to read, which is what our book-reading promotion does. That is not to say that we sell very well. Remember that recession is there. So, people think about what to eat first rather than what to read. But overall, it has been good."

Ohiomokhare also said Quintessence is strongly considering the online platform as another viable option to book sales, adding it would soon make its presence felt.

"We have just developed our website for business," he said. "It is not completely ready, but it will definitely impact positively on the business."

VIRTUALLY all the publishers acknowledged Terra Kulture's faithfulness in remitting monies promptly when due. The culture centre's General Manager, Joseph Umoibom, said Terra Kulture's unique, multi-layered business model has been working for it and advised that booksellers would do well to diversify their businesses to ensure multiple streams of income to avoid the needless debts to publishers and authors.

According to him, "It depends largely on the model; they should do more of other things than just sell books. Not many of the bookshops have enough capital to stock books. If there is high volume of sales, bookshops can be a lucrative business. For us, revenues don't come only from books,

but other items. It's more a multi-layer kind of business for multiple streams. There is a section for people to stay and read where they pay, especially those preparing for professional examinations, a space where people can work. There could be a membership system that also helps to make revenues."

Umoibom said there was need for booksellers and distributors to show integrity and professionalism, as healthy factors to sustain book business.

"At Terra Kulture, we pay at the end of the month after reconciliation of accounts. Publishers just get alert; they don't have to come for their money. If you don't win the trust of suppliers, why are you in business? Another model of a bookshop is to be the representative of an author or publisher so that you stock his or her book, sell to others and you make a commission."

He explained the challenges to include inability to make large turnover that guarantees profit because of insufficient readership in the country, adding, "Foreigners are the ones who buy books; Nigerians don't buy books. There is the issue of high cost of rent in highbrow areas, cost of staff maintenance. Paying multiple local levies or taxes is also a problem. If a lot of people buy books, bookshop could be profitable."

Umoibom argued that online stores pose a challenge to traditional bookstores, as traffic for book sales is being directed to alternative avenues, noting, "Those who could have come to us go online. But bookshops can also put their books online and attract buyers, but they will have to do a lot of publicity to get traffic."

SALES and Marketing Manager, South-West, Cassava Republic Press, Kofo Okunola, noted, "Yes, it is a constant battle trying to juggle the need to sell books and worrying about whether the outlets will pay once they have sold your books. Non-payment from retailers makes it difficult to pay authors' royalties and it affects our own cash flow that will allow us to pay salaries, production cost and work with new authors.

"Also, it creates mistrust between us and our authors. For example, authors may be aware that their books are selling and therefore expect a certain royalty. But in practice, we can

only pay royalties based on the money we have received and not for what we supply.

"The money we are talking about is for books that have already been sold by the retailers but they have refused to pay. They come up with one excuse after the other. Bad debt also means we cannot grow the way we want to grow because the money to do so is simply not there. And this is not because we are not selling books, but because retailers refuse to pay up."

Cassava Republic Press alone, Okunola said, is being owed over N15 million, some of which have been written off as bad debts.

She lamented, "We had some bad debts that we have had to write off completely because after a few years of chasing them, we realised that we were expending a lot of money trying to chase people, who had no intention of paying or they have declared bankrupt. New debts stand just over N15m. For a small company like ours, this is a lot of money to be owed, which can make a difference to our business."

On efforts at recovering part of that debts, she said, "We are limiting the quantities that we supply to retailers and the negative side is that it reduces sales opportunity as the retailer cannot be as responsive to consumer needs. Some retailers in some regions no longer have access to credit facilities; they have to pay before collecting the books. We now insist that retailers must complete payment before getting more supplies. Of course, this slows the whole process down because some retailers would rather hold onto the money than get new supplies that they can quickly sell. The other thing we do is to work with small but reliable retailers."

Since Cassava Republic Press also has a bookshop in Abuja, does it owe other publishers? Okunola categorically said, "No, we don't owe publishers. We pay when we have sold the book. And if after six months the book is not selling, we ask the publishers to come and collect their books."

BOOKVILLE World, a Port Harcourt-based bookseller also acknowledged the challenges of bookshop owners, saying the profit margin for books is low beside the usual issues of business owners - high rent, staff salaries, maintenance, and taxes.

According to its Manager, Rosemary Arinze, "Margins on book sales are slim. If you have big turnover, it's a good business. The cost of dollars is high and almost out of reach. When we started, we were told people don't read, but that is not the case. Most times, people don't know where to get what to read."

On the debt crisis, Arinze said Bookville World is not in the category of debtors, as it remits regularly to publishers.

She, however, blamed publishers for the slow pace of book sales in the country, saying they do not invest in promoting their books, as they merely dump books on booksellers and expect miracles to happen.

"Nigerian publishers are not promoting the authors enough," Arinze said. "Booksellers are the final call for booklovers. If there is no promotion, people will not know about the books. Also, the authors don't calm down and write well and package their books properly. We need to do more. Then piracy is another problem. Publishers don't promote their authors for awareness."

Arinze gave the instance of Toke Makinwa, who she said made a lot of noise about her book, *On Becoming*, which sold out instantly.

She also noted that the incident of schools running their own bookshops impact negatively on the business of booksellers, as publishers now supply directly to schools.

Online platforms, she noted don't exactly pose a threat to traditional bookshops as "60 per cent of people don't have access to books as they should; we are still evolving as a people. It's not a major challenge right now. Online is getting established gradually but we are still not there yet. You see, there is nothing like holding a book in your hands!"

However, Olatoun Williams, an influential online book reviewer at Borders Book Reviews, who also coordinates Africa Book Group roundtable, said a better strategy to book distribution in the country should be fashioned out between publishers and booksellers so that book lovers can easily have access to books.

As she noted, "Book distribution is very poor in the country. I can afford to go to Glendora, Quintessence, Terra Kulture to buy books, but not everybody can do that. A lot of people find books very expensive. We have a small group and our members go abroad to get some of the books we discuss. The biggest issue is finding books to buy. There are not enough booksellers in this country. There is a big problem accessing books in Nigeria. That is why the big authors publish abroad."



Omolubi-Ogosi



Williams