

# Book Industry TRENDS 2003



# Agenda

- About BISG
- BISG Members
- Our Mission & Activities
- Book Industry TRENDS
- TRENDS 2003 - Key Highlights
  
- Consumer Research Study



# About BISG

- New York based not-for-profit
- Focusing on research, standards, policy and other industry related initiatives
- Membership driven organization via Board of Directors and committees



# BISG Membership

- Over 200 members – from small independents to Fortune 500s
- Our members come from all segments of the industry:
  - booksellers, retailers, publishers,
  - wholesalers, distributors, libraries
  - printers and paper manufacturers
  - consultants and technology companies, etc.



# Our Mission

- To conduct research and gather data on issues affecting the book industry
- To develop and maintain standards & policies for effective communication among all segments of the publishing industry value chain

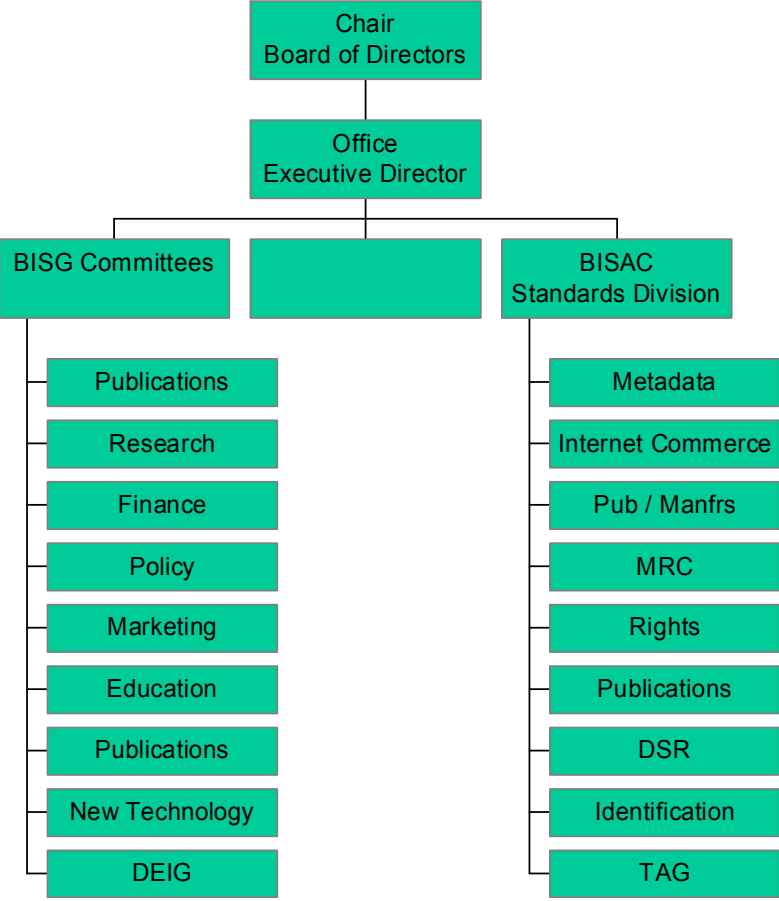


# Our Activities

- Industry research (perform and publish)
- Standards (develop, maintain, promote)
- Develop best work practices
- Provide industry wide forum for policy
- Education (seminars)



# Structure



# TRENDS 2003

- BISG's flagship research report
- 26<sup>th</sup> Edition
- Covering the years 1997-2007
- 200+ pages of comprehensive data
- Including essays from nine industry insiders
- Statistics & projections by Fordham University



# TRENDS 2003 Data

- Provides estimates & projected book data for the 1997 through 2007 period
- Data gathered from:
  - Association of American Publishers
  - Association of American University Presses
  - US Department of Commerce



# Key Highlights

- Domestic Consumer Expenditures
- Publishers' Net Dollar Sales
- Publishers' Units



# Key Highlights

<b>Domestic Consumer Expenditures</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
TRADE	11,514.4	11,051.6	12,153.7	12,449.0	12,761.5
MASS MARKET	2,622.2	2,602.0	2,929.7	2,956.0	3,002.8
BOOK CLUBS	1,316.2	1,368.9	2,341.8	2,427.7	2,498.1
MAIL ORDER	590.3	551.4	399.5	322.7	280.4
RELIGIOUS	2,295.4	2,413.4	2,304.6	2,374.6	2,434.2
PROFESSIONAL	5,292.7	4,869.9	5,767.2	5,861.2	6,008.3
UNIVERSITY PRESS	507.1	499.4	523.5	540.3	555.9
ELHI	3,516.3	3,797.6	4,478.0	4,522.8	4,681.1
COLLEGE	3,717.8	4,019.8	4,705.7	5,127.8	5,555.5
SUBCR REFERENCE	678.7	705.9	965.4	995.8	1,021.9
ALL BOOKS (Excl. Std tests)	32,051.1	31,879.9	36,569.1	37,577.9	38,799.7

Millions of Dollar



# Key Highlights

Domestic Consumer Expenditures	2000	2001	2002	2003	2004
TRADE	11,514.4	11,051.6	12,153.7	12,449.0	12,761.5
		-4.0%	10.0%	2.4%	2.5%
MASS MARKET	2,622.2	2,602.0	2,929.7	2,956.0	3,002.8
		-0.8%	12.6%	0.9%	1.6%
PROFESSIONAL	5,292.7	4,869.9	5,767.2	5,861.2	6,008.3
		-8.0%	18.4%	1.6%	2.5%
ELHI	3,516.3	3,797.6	4,478.0	4,522.8	4,681.1
		8.0%	17.9%	1.0%	3.5%
COLLEGE	3,717.8	4,019.8	4,705.7	5,127.8	5,555.5
		8.1%	17.1%	9.0%	8.3%
ALL BOOKS (Excl. Std tests)	32,051.1	31,879.9	36,569.1	37,577.9	38,799.7
		-0.5%	14.7%	2.8%	3.3%

Millions of Dollar



# Key Highlights

<b>Publishers' Net Dollar Sales</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
TRADE	6,540.8	6,369.9	6,929.8	7,098.1	7,276.6
MASS MARKET	1,559.2	1,546.6	1,726.8	1,728.4	1,767.4
BOOK CLUBS	1,291.6	1,334.5	1,463.3	1,517.0	1,548.7
MAIL ORDER	431.8	353.9	333.5	270.8	235.5
RELIGIOUS	1,246.9	1,305.1	1,262.2	1,300.6	1,333.3
PROFESSIONAL	5,129.5	4,739.1	5,140.1	5,224.0	5,355.0
UNIVERSITY PRESS	450.0	443.0	444.0	458.3	471.5
ELHI	3,881.2	4,183.6	4,073.3	4,114.0	4,261.1
COLLEGE	3,237.1	3,468.9	3,898.2	4,247.9	4,602.2
STD TESTS	234.1	250.1	268.2	275.5	281.5
SUBCR REFERENCE	809.1	819.4	797.0	822.1	843.6
ALL BOOKS (Excl. Std tests)	24,577.2	24,564.0	26,068.2	26,781.2	27,694.9
ALL BOOKS (Incl. Std tests)	24,811.3	24,814.1	26,336.4	27,056.7	27,976.4

Millions of Dollar



# Key Highlights

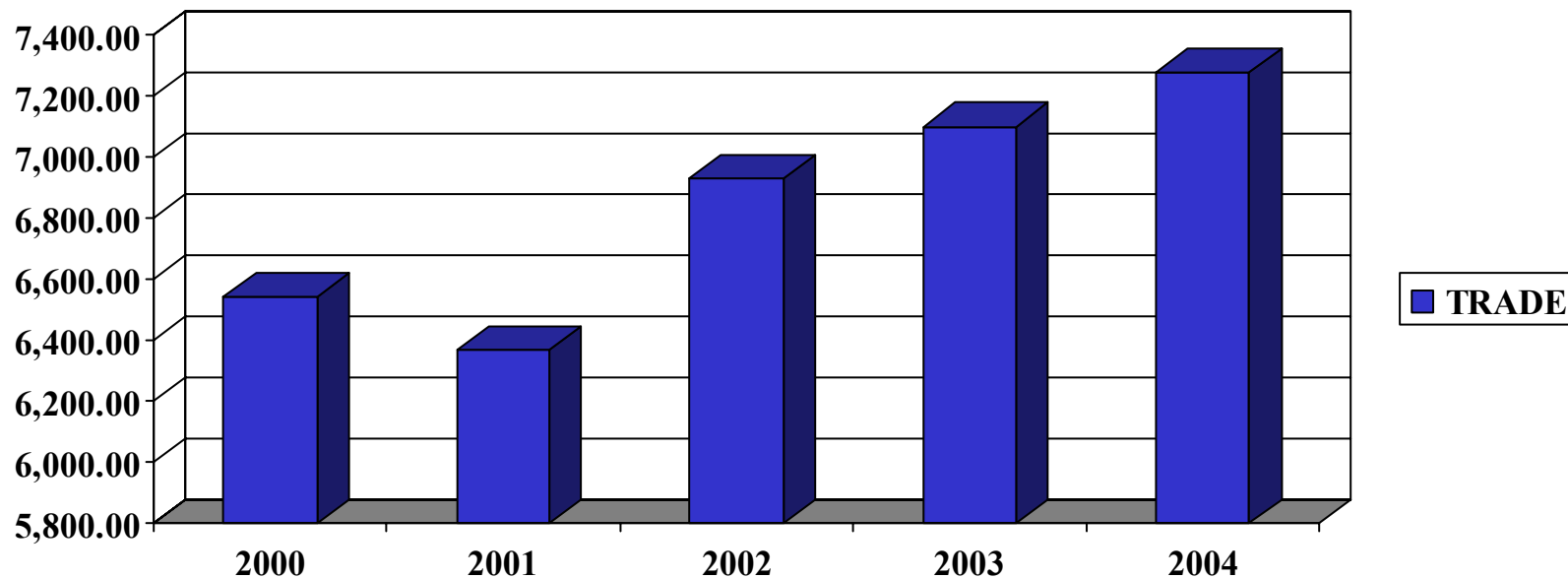
Publishers' Net Dollar Sales	2000	2001	2002	2003	2004
TRADE	6,540.8	6,369.9	6,929.8	7,098.1	7,276.6
		-2.6%	8.8%	2.4%	2.5%
MASS MARKET	1,559.2	1,546.6	1,726.8	1,728.4	1,767.4
		-0.8%	11.7%	0.1%	2.3%
PROFESSIONAL	5,129.5	4,739.1	5,140.1	5,224.0	5,355.0
		-7.6%	8.5%	1.6%	2.5%
ELHI	3,881.2	4,183.6	4,073.3	4,114.0	4,261.1
		7.8%	-2.6%	1.0%	3.6%
COLLEGE	3,237.1	3,468.9	3,898.2	4,247.9	4,602.2
		7.2%	12.4%	9.0%	8.3%
ALL BOOKS (Excl. Std tests)	24,577.2	24,564.0	26,068.2	26,781.2	27,694.9
		-0.1%	6.1%	2.7%	3.4%

Millions of Dollar



# Key Highlights

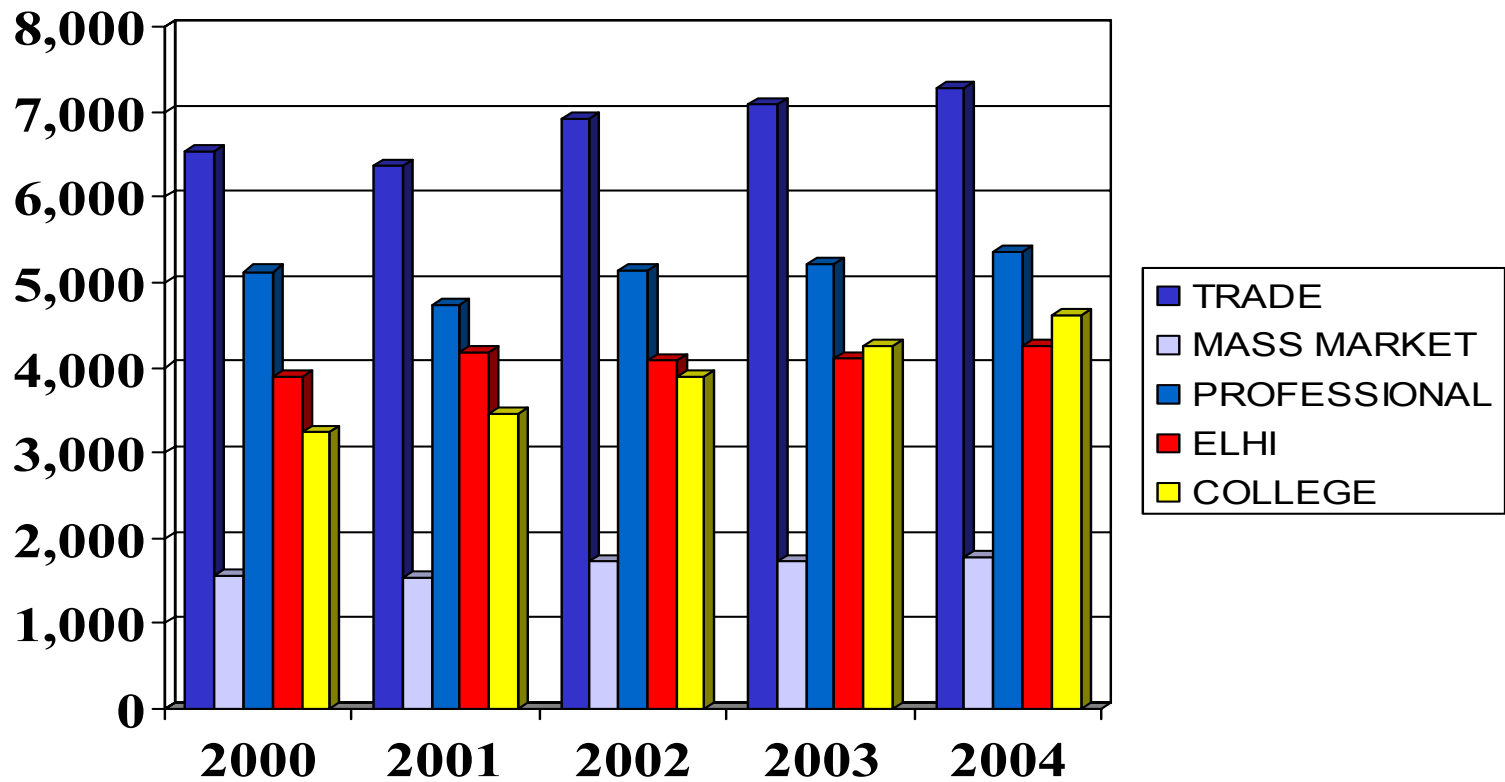
Publishers' Net Dollar Sales	2000	2001	2002	2003	2004
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		-2.6%	8.8%	2.4%	2.5%



Millions of Dollar



# Key Highlights



Millions of Dollar



# Key Highlights

Publishers' Units	2000	2001	2002	2003	2004
TRADE	903.9	845.7	879.4	880.8	888.9
MASS MARKET	471.3	454.9	493.4	480.1	477.7
BOOK CLUBS	143.1	143.5	154.0	154.8	154.9
MAIL ORDER	65.3	52.0	47.6	38.1	32.3
RELIGIOUS	170.8	174.0	163.9	164.6	164.6
PROFESSIONAL	186.7	168.1	177.2	175.3	175.6
UNIVERSITY PRESS	31.0	29.5	28.5	28.5	28.6
ELHI	333.6	348.6	331.2	326.5	330.3
COLLEGE	186.3	193.8	211.9	224.8	238.5
SUBCR REFERENCE	1.2	1.2	1.2	1.2	1.2
ALL BOOKS (Excl. Std tests)	2,493.2	2,411.3	2,488.3	2,474.7	2,492.6

Millions of Units



# Key Highlights

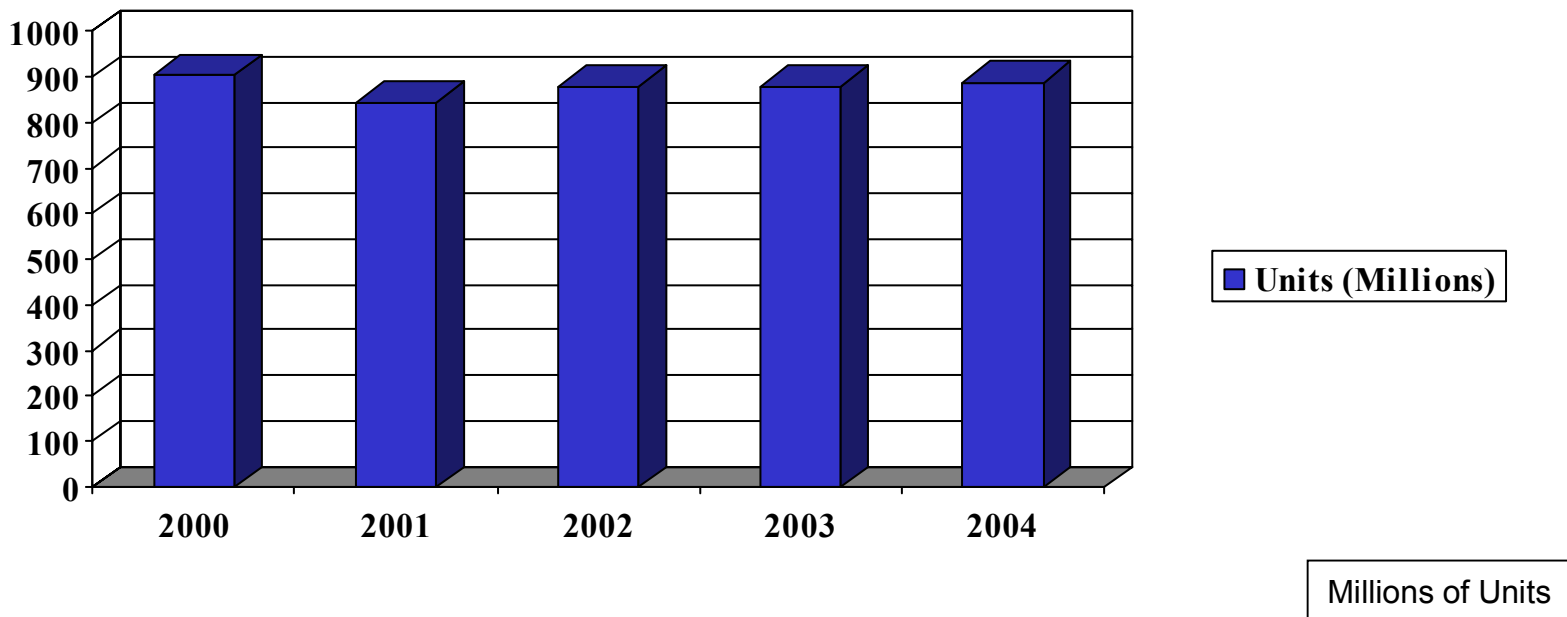
<b>Publishers' Units</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
TRADE	903.9	845.7	879.4	880.8	888.9
		-6.4%	4.0%	0.2%	0.9%
MASS MARKET	471.3	454.9	493.4	480.1	477.7
		-3.5%	8.5%	-2.7%	-0.5%
PROFESSIONAL	186.7	168.1	177.2	175.3	175.6
		-10.0%	5.4%	-1.1%	0.2%
ELHI	333.6	348.6	331.2	326.5	330.3
		4.5%	-5.0%	-1.4%	1.2%
COLLEGE	186.3	193.8	211.9	224.8	238.5
		4.0%	9.3%	6.1%	6.1%
ALL BOOKS (Excl. Std tests)	2,493.2	2,411.3	2,488.3	2,474.7	2,492.6
		-3.3%	3.2%	-0.5%	0.7%

Millions of Units



# Key Highlights

Publishers' Units	2000	2001	2002	2003	2004
TRADE	903.9	845.7	879.4	880.8	888.9
		-6.4%	4.0%	0.2%	0.9%



# Summary

- 2002 demonstrated increases in most categories in both domestic consumer expenditure and publisher net dollar sales
- TRENDS projects slow growth in Net Dollar Sales over the next few years
- TRENDS projects unit sales as flat





**Book Industry Study Group**



**Book Industry Study Group**