

**Emergency Services
Centre - 3333**

University

To break even after five years of deficits

Bookstores caught in cost squeeze with publishers

University bookstores are caught in a cost squeeze — with publishers' pricing policies based on those developed 40 years ago, according to York Bookstores director Steve Zalewski.

In an interview Tuesday, Zalewski explained the mark-up on books fell into two basic categories, trade books of general interest to customers, and text books printed largely for the academic market.

In a reversal of normal merchandising practice, the "educational discount" on texts is 20 per cent of list price, compared to 33 to 40 per cent on trade books. For this reason, most commercial stores don't stock texts.

The rationale for this difference was that with a set market for texts, campus stores didn't face the same speculative risks with these as they did for general interest books.

But, said Zalewski, retailing text books is now as speculative as is the handling of any other kind.

"In the last 40 years, you know what inflation has done to costs, salaries, processing and general overhead. We're now no longer able to make ends meet (on the sale of texts). There's been a great change away from the practise of having one required text per course to having a list of recommended books. In any course there may be 6 to 20 basic source paperbacks."

"This," he said, "makes these sales quite speculative too." Not least because students are now more sophisticated when buying books, waiting to see if they are indeed relevant to the course or grades, waiting to see how "required" a book is before buying it.

"We therefore have to carry a huge stock, with only a small percentage turnover."

Expensive white elephants

On top of that, publishers refuse to take back more than 20 per cent of the number of books ordered in a given year, leaving campus stores with expensive white elephants if they've over-ordered and the book isn't used the following year.

"Once the decision is made not to use a text book for a particular course, its value diminishes by about 80 per cent," said Zalewski, "so the university realizes a loss even in excess of what it paid for the book in the first place."

"The publishers' problem with returns is that in printing and marketing a book, they incur basic costs. And when books are sold to a store in July or August, they have to make decisions on reprinting for six or eight months hence."

So the stores, who commit capital prior to term on the basis of professors' estimates of the number of books needed feel they have a right to return those not sold; the publishers regard this as an imposition because it has serious implications on decisions already made on whether or not to do another run of the book.

It's all part of the tug of war between retailers and suppliers in the book business — in this case between a commercial company and an outlet whose expressed aim is not to make a profit but to provide an efficient service while breaking even.

Gross sales \$1.5 million

In the interview, Zalewski charged some publishers with reclassifying books as texts, at the reduced discount to stores, as soon as they find it's being used in university courses. A spokesman for Copp-Clark in Toronto denied this was done in the industry; Zalewski claimed he had "plenty of documentation" of cases where this has happened with the York stores.

"Quite often we find discounts have been cut simply because we

order in quantity — a reversal of normal retailing practice."

Zalewski, who came to York from Cornell University two years ago where he was sales manager for the university press, said he expects the stores at York and Glendon to reach the break-even point this year, in accordance with university policy, on gross sales of \$1.5 million. Since 1966, they have experienced deficits totalling more than \$100,000.

He divided the university operation into "three phases." The sale of texts is the primary one, as a service to faculty in ordering, and to students in stocking needed material. The sale of general books constitutes "a wide range of intellectually stimulating material" for members of the York community. And the sale of general merchandise is "educationally related to course work, culturally relevant to a university community, or serves a sales function in offsetting some of the losses incurred in the text book operation."

He stressed the service aspect of the operation in other ways, calling the student customer "a regular customer, a paying customer, and one who should have the necessary services. By that I mean accurate information on the status of a book, minimum waiting time in check-out lines, polite and knowledgeable service from staff."

At the end of April, the store buys used books (as long as they will be used the following year) at 50 per cent of list price — even if they were bought used in the first place — and sells them at 75 per cent of list.

Used book sales up 300 per cent

In the past two years, these sales have increased "300 per cent, and we still haven't half the used books we could use for resale."

Varieties of books and types of material stocked have increased substantially since the Central Square store opened; charge accounts have increased from 300 to 4000.

But as reported earlier this year in Excalibur following a campus survey, many are dissatisfied with the bookstores, largely because of what they feel are high prices.

This feeling isn't helped when a customer takes a York price tag off a book to find the printed price lower, in some cases substantially.

The reason for this, according to Zalewski, is that many texts are printed in the U.S. and marketed in Canada by Canadian distributors who are free to set their own list prices in the areas they control. The bookstores fix their prices at the new list.

Some negative feeling

"There is some negative feeling about the bookstores, probably generated by the fact students react negatively to purchasing text books. They are only available from one source — and that's because only the university is willing to pay the costs involved. A commercial enterprise wouldn't sell in the reduced discount range."

He noted a "tremendous interest" recently in anything dealing with Canada — its history, social movements, politics and cultural scene. The store carries "almost all Canadian books in print".

There is also a notable rise in sales of books "on the changing status of women, and the status of minority groups, particularly the Canadian Indian". Harking back to the '50's, the sale of science fiction books, which declined in the '60's, is undergoing a "tremendous revival".

"We also handle a lot of items dealing with crafts — such as pottery, cooking, building — and things like the Mother Earth News.



York's bookstore is one of the largest student bookstores in Canada.

"(The reviving interest in the natural) is like a return to Walden Pond, to an appreciation of the natural environment. It's a retreat from the synthetic existence of the world around us."

Changing interests

So many of the items carried in the store — from hand-formed Canadian pottery to original prints, are an attempt to reflect the changing values of the early seventies.

Interest in radical political-economic books has given way to the study of more esoteric pursuits such as Gestalt therapy, yoga and the development of a personal appreciation of nature.

"The greatest single decline in interest in the past few years has been in books on drugs — at the same time as there has been a considerable upgrading in the level of sophistication of these books demanded by the consumer."

The bookstores, responsible to assistant vice-president of finance Harry Knox, have a staff of 30 at

York and five at the Glendon campus. In the fall, they employ up to 90 students, with 20 remaining on as part-time workers during the year.

All profits or losses are absorbed by the university.

Zalewski explained part of the deficit in past years has been the result of pilferage, totalling some 3.5 to 4 per cent of revenues on average — roughly equivalent to the average deficit. The 5 per cent discount on cash sales takes another 3 to 4 per cent from revenues.

The pilferage he regards as "part of the general problem at other universities and commercial stores", no better or worse. As with other outlets the York stores occasionally employ private security men to patrol the premises in plain clothes. When on duty, he claims they catch "three or four" shoplifters a day.

If it gets more serious, "it will call into question the feasibility of allowing a discount when a selective part of the population steals the same amount".

Should break even

But this year he expects to break even, and despite the criticisms, sales are increasing. In an attempt to make the service more responsive to students' needs, and as part of the growing involvement of students in the operation of the university a few years ago, bookstore committees composed partially of students were set up on both campuses to recommend operational policy to management.

Zalewski says they work well, and despite the fact many student councils don't bother to send representatives to the committees, those that do attend "tend to be some of the most far-sighted and critical of the committee members".

Odds & Sodds

YUSA meeting

There will be an Annual General Meeting of the York University Staff Association on Tuesday, February 22 from 12:00 - 1:00 p.m. in Curtis Lecture Halls, Room A. The purpose of this meeting is to elect new officers and committees for 1972-1973; the Association urges all members to attend.

Science speaker series

The Distinguished Science Speaker Series, sponsored by the Faculty of Science, will have Dr. B. Chance of the Johnson Research Foundation (Philadelphia) as guest

Quote of the week

I think that learned counsel is abusing the privilege of being stupid.

Sir James Lougheed,
when chairman of
Senate divorce committee,
about 1920

speaker Thursday, February 24 at 8 p.m. in the Senate Chamber (S915), the Ross Building. Dr. Chance's topic will be "Reaction of Cytochrome Oxidase with Oxygen".

Lecture postponed

The fourth lecture in the Annual Lecture Series, 1971-72 — "A Living Society is a Quarrelling Society" by Professor Nils Christie, Director of the Institute of Criminology and Criminal Law, Oslo University — originally to be held Wednesday, February 16 was postponed. Professor Christie's address has been re-scheduled for Wednesday, April 12th.

The next lecture in the series will be given Wednesday, March 15 by Dean Gerald E. LeDain of Osgoode Hall Law School. Dean LeDain's topic will be "The Role of the Public Enquiry in our Constitutional System".

Winters film series

Winters College Council is holding

a special weekend film series from Friday, March 10 to Sunday, March 26. Series tickets, costing \$3 are on sale until February 26 in the first floor lobby of the Curtis Lecture Halls, and will be sold for one day only (February 24) in Central Square.

Wright report

submissions sought

The Wright Commission has requested responses to its recently published draft report on Post-Secondary Education in Ontario. York University's response will be co-ordinated by Dr. James Gillies, Dean of the Faculty of Administrative Studies. Persons wishing to make submissions (or requiring further information) should notify Mrs. Meredith, Room S907, the Ross Building, (telephone local is 2328) of their intention to do so by next Monday, February 21.