April 1994

Interview with John Perry Smith, President & Founder, Total Information, Inc.

Katina Strauch

Against the Grain

Follow this and additional works at: <https://docs.lib.purdue.edu/atg>

Part of the [Library and Information Science Commons](#)

Recommended Citation

Strauch, Katina (1994) "Interview with John Perry Smith, President & Founder, Total Information, Inc.," *Against the Grain*: Vol. 6: Iss. 2, Article 20.

DOI: <https://doi.org/10.7771/2380-176X.1472>

This document has been made available through Purdue e-Pubs, a service of the Purdue University Libraries. Please contact epubs@purdue.edu for additional information.

An Interview with John Perry Smith

President & Founder, Total Information, Inc.

I first heard about Total Information in 1990. That was the year that ATG received an article from Christian Boissonnas called "Firm Order Bidding: The Cheapest Way to Buy Books?" Christian had decided to implement his own bidding system and Total Information was one of the winners (see ATG, v.2#4, September 1990), page 23-25). I did not publish the names of the winners (there were two of them), and Christian was mad. So Total Information (via Christian) got my negative attention! Anyway, several years later, I had the pleasure of meeting John Perry Smith, President and Founder of Total Information, Inc., at a Charleston Conference (his company does not exhibit at ALA) when he gave an paper about vendor/publisher/librarian practices. He wasn't at the 1993 Charleston Conference (sickness in the family), but he is still alive and well and living in Rochester, N.Y. I talked to him about himself and his company on March 2, 1994, Read on! — KS

ATG: How did you get into this business?

JPS: I got started the way most people do. I had a humanities degree (1970, Niagara University) which was a ticket to the unemployment line. You know the fear most of us have of leaving the town where we have just graduated from college (my son is like that; he doesn't want to leave Syracuse).

1970 wasn't a high point in our economy. I got married right out of college and my wife got a job teaching in Niagara Falls. I got a job as a clerk in a bookstore. It was a standard trade book-

store, old-fashioned, personal. Novels cost \$3.95 or \$5.95 then and frequently we would take them to a customer's house and drop them off. We also had industrial customers buying expensive STM materials and we treated them the same way. We didn't think it was important to notify them when a book was out of stock or when we expected it to arrive so most of our business was standard retail customers. I thought that book jobbing would be more fun. The bookstore business was limited to the people who walked in the door. A book jobber has customers from all over the world.

ATG: So tell us more about how you started Total Information, Inc. Where did the name come from?

JPS: I started Total Information in 1975 and next year's SLA will be our twentieth anniversary. It was in the period of time that Richard Abel & Com-

"The nasty stuff is why you need jobbers."

pany was going out of business. There were a lot of orders out there and some of them came to our bookstore. I wanted to make a commitment on the part of the bookstore to book jobbing when the orders came in, but my boss didn't. He didn't want to leave his niche. I was 27 and filled with self confidence in the ways of the world. I kept going home with a stomach ache. My wife at the time said, "why don't you quit?" So I did.

At first we were located in the attic of my house in Niagara Falls, NY. I borrowed \$5000 from a bank and spent it stupidly. Then I was lucky. I got a big corporate account. They were willing to give us a chance and it gave us credibility with other libraries. On any given day, if you call 100 libraries, you will find at least 2 who are disgusted with their jobber. It's just human nature.

We started carefully and for a long time just served the upstate New York

area. We were trained by our customers. They taught us what they wanted — the books they ordered quickly with no excuses. If we couldn't get something to them, they wanted to know why right away. Our job is to make the person we work for look good so we learned to listen to the things our customers wanted. Some wanted full EDI and X12 compatibility and others want only paper, no electronic. We have libraries at different stages. And academic libraries are very different from corporate libraries.

ATG: How has the book industry changed since 1975? Are you an information broker instead of a bookseller?

JPS: In 1975, it was just me out of my attic in Niagara Falls. I probably couldn't do that now. The book industry was different. Publishers were ready to extend credit, and they didn't bill you too fast. Now we have 12,000 square feet and we can inventory 10,000 titles. We don't have a warehouse. We have gone through large and small inventories. Even though we may know a customer very well, we can't fill more than 30 or 45% of the material which is ordered from inventory. As product lines become more diverse, I don't expect this to change.

I think that expectations of speed have changed. We expect everything speedier. The key is how to turn around an order for a non-inventory item — it's easy if the item is in inventory. It used to take us 30 days to do that but we have cut it to between 10 and 14. We use PUBNET, and we fax some publishers. We don't hold non-stock orders beyond 6 o'clock the same night of the day that they are received. This makes us expensive. We could save money if we sent out orders weekly but we don't do that. We know our publishers' requirements. We identify publishers who must be prepaid, who takes a credit card and who doesn't. We go publisher by publisher and we will see if we are still in business in 2020. It's a question of buying and inventory control. Whatever you want to buy, as long as it's for sale from a third party, we will

get it. If we stop doing this we will lose value. The nasty stuff is why you need jobbers.

ATG: Is the current library market really drying up and what are you going to do when there are no more librarians or libraries or even books for that matter?

JPS: In industry, the one thing we have seen is that for every book sold to a library, there will be 5 or 6 books sold to an individual. The book is far from dead. In corporate America, databases are databases for raw information, but if you want to understand a concept, you need something like the *Invisible Hand* or the new book on the Warburgs. You need an author who can put the concepts down coherently. Reading *The House of Morgan* teaches you a whole lot more about the American banking industry than spreadsheets and Federal Reserve numbers. A lot of the large corporations we deal with have book clubs for their management personnel. No, the monograph is far from dead. We see it in the bestseller lists.

I list myself as a bookseller (though some people get confused and ask me if I mean bookmaker). We are taking a different approach. We call ourselves Total Information. We have never had a problem with other formats. We do about 5% of our business in non-print media, CDROMs, video and audio tapes. But we are not a vendor of data and databases. It is not appropriate.

Are we wrong? I recently had a meeting with my staff and I said to them, "let's be honest; is what we do too old fashioned?" We decided that we didn't think so. But if we are, Gary and I who own this place will let it wind down, get out of the business and decide what we

"Publishing executives are a lot like movie executives . . ."

want to do with the rest of our lives. Right now, we have loyal customers who appreciate what we do and who tell us and that is very pleasing. We want to find customers who like our approach. I have six people with retail bookselling experience including myself. We want to give the kind of service that good customers would expect. Like the Happy Bookseller in Columbia or Chapter Two in Charleston.

ATG: Total Information is located in Rochester, NY. When did you move from Niagara Falls and why?

JPS: Most of the serious industrial libraries are in Rochester and not in Niagara Falls. We moved there in 1976. Our approach is gradual not big. Our current customers shouldn't know that we've signed new customers. Sometimes people are surprised by our size. They thought we were a tiny company. We now have 18 people working in an office building not an attic.

ATG: Tell us more about your customers? I gather that you don't want my business?

JPS: We concentrate heavily on the corporate market and on the high-level academic market. We have never gone to ALA. Our real market isn't there.

I have never turned down business. Largely, however, we work with industrial libraries and corporate purchasing departments. In many cases, there is no general librarian support. Working with the general corporate population has made us emphasize what is important to corporate companies. We chase down some pretty unusual stuff and we get it very fast because the corporate customer has a short attention span. They are acclimated by L. L. Bean and Land's End. They are a demanding market. We do a tremendous amount of rush orders and turn around an order normally in 10-14 days. Academic librarians don't generally have a time requirement to get a book that fast. We have a second tier of service for academic customers. Our corporate customers want us to ship every book every day, even if there is only

one. Academic libraries don't want a lot of shipments. They want their orders consolidated. For our academic orders, we take 30 or 35 days to deliver. We are upfront about this with academic clients. If a corporate client needs something, we will send it to them first rather than you. In exchange, we give academic libraries a better discount than corporate libraries.

Generally public and high school libraries batch orders. They send hundreds of orders once or twice a year and there is a problem evening out the work flow. We try to keep a balance. Some academic libraries like our business and work with us but we are not an aggressive marketer to the academic library market. There needs to be a fit between our culture and culture of the organization that we serve.

ATG: Do you give discounts? And what about cost plus pricing?

JPS: Sure, of course. Discount varies by material. As you know I am an advocate of cost plus pricing. Cost plus has its problems. With cost plus the library pays more for specialized books versus

" . . . libraries can't deliver service if they don't have any materials to give. They can't just get people cups of coffee."

trade books. We make adjustments based on volume. The book business is a kooky business. There are not tremendous economies of scale. Our prices are pretty standard.

ATG: Tell us about some of the people that you have hired at Total Information. Who is Gary?

JPS: Our Vice President and chief operating officer is Gary DeWitt who joined us in 1978 as our third full time employee. He is one of those music-trained types who loves the way programming comes together. He decided it was more fun to work in DOS, Gary does a great job and often spends the whole weekend here writing programs. It was a stroke of luck that he came here. We were lucky because he and I complement each other perfectly. He is both enthusiastic and practical about things that I don't like to be enthusiastic and

practical about. He has consistently supplied required information quickly and accurately, in one case developing a report in less than 10 minutes after my request. He has a sense about how the database works and he is willing to stop what he is doing in order to work something out. I am not involved in day-to-day operations and Gary is. I am not as good at detail as Gary is.

I started with a part time secretary and typist, then a stock and delivery clerk. When Gary came on, we created an accounting department. Next we hired people to help with shipping and receiving and customer service. We have tried to use staff creatively and pay attention to what is going on. For example, we noticed that outbound calls took less time than inbound calls and decided we should take the offensive on reporting to cut down on incoming calls. It has worked.

ATG: You have made some controversial statements even in this interview. I know when Heather Miller and I talked to you for our Library Journal article and at the Charleston Conference you have especially spoken against approval plans. Why don't you like them? Is it just because you don't have one and it is better business to say you don't like them?

JPS: The mark of a library, like a bookstore, is the taste and expertise of acquisitions and collection development and the implementation of that philosophy. This should not be turned over to an anonymous approval plan. Once a book is in your hand, you will probably hold onto it. Of course I am biased. Industrial customers don't want approval plans. The days of the exhaustive library collections are gone. Everybody has to choose. I am uncomfortable with the fact that libraries give that over to the jobbers or publishers with an approval plan. Publishers scout the conventions and if they see an interest they go with it. They all get the same information at the same time. If a competitor's book is a success, they want to have one too. Publishing executives are a lot like movie executives. They don't know if people will buy something but if they do, they anoint themselves geniuses. They don't want to talk about what has disappeared from the screen.

Libraries need to insulate themselves from the publishing fads. The collection development person has to sit back and

look at it with a jaundiced eye. Publishing is a series of trends. I remember in the 60s and early 70s, Johnson and Arno were publishing reprints of complete sets of things. If someone had inserted a \$100 bill in each volume you could probably go to the shelves and find most of them there now because the books have never been taken down since acquisition. In the 70s and 80s, the area was personal

"I don't think jobbers should do approval plans. There is something essentially corrupt about them."

computing. There were a lot of titles on book shelves and then the books were returned to places like Wiley and Prentice-Hall. Whole imprints disappeared from major publishing houses. Space is more valuable now than the material. Corporate libraries throw out materials more willingly than academic libraries, I suspect.

Fashionable waves run through academe and people can go out of business very fast because of it. There are also people out there publishing stuff that they think needs to be published and these people are living from hand to mouth. The owner of Northpoint Press was subsidizing it with his own money. He was publishing beautifully produced books in fiction or *belles lettres* but he never sold enough to bring back his costs. He was ill and dying so he sold it rather than leave it in his estate. Tastes of people change and this is the problem with creating a library or a bookstore. Still, libraries can't deliver service if they don't have any materials to give. They can't just get people cups of coffee.

"The mark of a library . . . is the taste and expertise of acquisitions and collection development . . ."

ATG: Are you implying that in some way approval plans influence what is published?

JPS: I am convinced of it. My wife is a publisher's representative for 18 publishers and a lot of those publishers can't find a way to get included in a large approval plan. It's a limitation thing. A

vendor's approval plan is restricted to publishers that the vendor wants to work with. This has nothing to do with collection development.

ATG: I know that you and Lyman Newlin had a disagreement at a Charleston Conference over what booksellers do. You said that you and Lyman "perfectly disagree."

JPS: Yes. Two years ago in Charleston I said that when you cut out all the razzmatazz all booksellers do is take a book out of a box from the publisher and put it in another box for the customer. Of course it has to be done cost effectively and in a timely manner. I don't think jobbers should do approval plans. There is something essentially corrupt about them. It has to do with marketing and profit instead of scholarly value. All appearances to the contrary notwithstanding, jobbers are first and foremost businessmen(women) not savants (albeit some would insist on idiot-savant).

ATG: You have been vocal about the Charleston Conference program in the past. What would you like to see in the future?

JPS: I would like to see the conference refocus more on the issues that affect acquisitions directly. Professional purchasing standards. Vendor selection, collection development, financial management, shipping and receiving procedures, department administration and systems engineering. Some approach is needed to keep the vendors from turning the Conference into a mini SLA with everyone afraid to speak their minds for fear of offending a current customer who might be in the audience. There is a definite streak of pusillanimity creeping into the discussions. Let's have full sessions devoted to monograph acquisition and serial acquisition with short presentations and hard questions from the audience and hard answers from the dais. Run the sessions concurrently and let the crowd be winnowed by each attendee's decision as to which session is most important to them. In short less theory and fewer platitudes and more nuts and bolts.

ATG: Tell us about some of the ways that you are using technology. Are you using EDI? And what kind of improvements have you made in Total

Information's technological base? And how about electricity? Are we too dependent on it? Is Thomas Alva Edison rolling over in his grave?

JPS: The wave of the future is X12. It is ugly and gigantic and a lot of people are resisting it, but if you are going to order electronically, you have to concede to X12. Several times people have tried to sell us big equipment but it was always stuff that we thought would degrade our level of service. We were lucky again because the PC revolution hit just when we were getting started and computers cost less and less. We paid the most for our first computer.

I know technology is very sexy, but I am pretty cynical about it. We have a lot of people calling us and asking us what we can do. Sometimes I find it hard to focus the conversation on what we think we do which is to get a book to you in a certain time frame and at a certain price. People go off on complicated things because they are fun to talk about. But the Messiah hasn't come yet. Most customers are outfitted narrowly and we can't let our vision interfere with our day-to-day operations. We have invested \$250,000 to develop our electronic capabilities, including EDI, and few customers take full advantage of them. They will say that's nice, but it's not in the budget. It's very hard because it means trusting the electronic environment. Here we use a deprivation approach. Every month, we do away with a piece of paper, and we won't print it, you can call it up on the screen.

We have upgraded our power and developed our software ourselves. We are moving to an integrated data environment. We can do complex usage studies on our database and our customers frequently can't search their own database as well as we can search ours. A lot of the things our customers are looking for is non standard material — we serve people in almost every industry you can name. We receive orders for a lot of unusual material. Often what one customer thinks of as a weird request is a title we normally supply to a another customer who orders it on a regular basis. So we have specialized data and we want to maintain a database for everything we have gotten for the past five years. It helps us solve a lot of detective work. We have a lot of people on the phone tracking down stuff. This data environment is a positive one and does not

get between us and our customers. It is a handmade project, book jobbing of this kind. There is an absolute intolerance for errors.

Against all advice we designed our current computer system ourselves. In the last year we upgraded our file server to increase speed and installed two 1.2 gigabyte mirrored hard drives. This provides a continuous back up with all data written to both drives at the same time. Hard drives will crash. It's not if, but when. If you have a data dependent operation with thousands of updates daily you must be able to survive a disk crash and keep operating.

John Perry Smith was born in Lockport, New York. He graduated from Niagara University with a major in English and minors in Philosophy and French (1970, Magna Cum Laude). He remarried in October. On the question of his adult and semi-adult children he says: "I am convinced that neither two adult males, nor two adult females can live in the same house." I asked him if his wife was a child. "Anyone who is married to me has to be a bit of a child," he said. He has 3 children, a son 21 who will graduate from Syracuse this year, a son 18, and a daughter 15 going on 27.

John's wife is a book rep for 18 different publishers and they have over 1500 different books a year come to them. "For booklovers we probably have the most perfect life," he quips.

In June of 1995, his company will be 20 years old. After starting with himself and growing to three people several years later, Total Information now employs 18 full time people.

ATG: Tell us more about the use of EDI.

JPS: Total Information, Inc. is fully EDI compatible. At the present time of over 500 active accounts only one (1) uses EDI.

ATG: What about your use of the Internet as a company? Do you use it? Also, are you thinking about adding other services which are available from other jobbers which you don't have? How about the 800 number? Is it still necessary?

JPS: Total Information is on the Internet. I believe it is the way into electronic acquisitions for even the smallest library. Once the ease and speed of e-mail is experienced, no one will want to go back to the old ways.

It's been our practice not to try to duplicate what our customers do better or a larger competitor does more massively. Services such as approval plans, cataloging or table of contents are sexy and fun. They can keep the conversation going during a sales call or a special vendor-paid lunch but are meaningless if the materials are not delivered in a timely cost-effective manner. We try to acknowledge our limitations, and recognize that we can't be all things to all libraries.

We've had our 800 number for over ten years, and believe it is simply a standard cost of doing business. Our philosophy is that there is nothing a customer would want to tell us (order, claim, praise, complaint, etc.) that isn't worth the money to find out.

ATG: Do you do a lot of international business? Do you think that the international market is your growth market?

JPS: We do a lot of business with Europe and a reasonable amount with Japan. Sometimes we write scary checks to India and hope. But basically we are a good American distributor and most of what we handle is in the English language and has American distribution. We have good relations with German, French, British and Japanese publishers. There are problems in payment which can be very frustrating. It's interesting that the Fed recently said it was legal for American banks to have accounts denominated in foreign currency. Obviously, we would love to do this, but no banks have done this yet. There are some publishers in England that only want to be paid in British pounds; there are international wire transfers. No one over here has recreated the European postal system where you could have a post office savings account for this type of transaction. This has been vigorous and successful in Europe. It is easier to get books in from abroad and they are no longer delayed in Customs. These are the small things that can improve the service level. An order to England back when we started this company used to be an act of faith.

Our corporate customers in Europe mostly are European branches of American customers because we don't market to Europe at all. We ship things to locations if our customers are going there. Any other business is usually by referral from one of our customers.

ATG: What do you do when you are not working?

JPS: I love to go to casinos and play black jack. It is a complex, evolving system and I have paid my dues. For my

wife's birthday this weekend we are going to Atlantic City. Recently I got my very own passport and my wife and I are planning to spend two weeks in Paris after ABA.

I spend my time reading books and watching movies. Just saw *Schindler's List* and *In the Name of the Father*. I am Irish and liked the latter a lot though I felt that they cut out significant sections of the movie not to make it too long. I am reading a wicked book right now — *If You're Talking To Me Your Career Must Be In Trouble*, by Joe Queenen. It

is wickedly funny and vicious movie criticism. I am also reading the book on the Warburgs at a slow and casual place and a couple of books from Kodansha about Japanese military heroes.

Well, y'all, an interview with John Perry Smith was as interesting as you might expect! We'll have to catch him at the next Charleston Conference and get him to say more controversial stuff since we won't see him at ALA, will we, John?
— KS ☞

Techno Talk Your Way to Success

by Tony Leisner (Dawsons)

At the extremes, Electronic Publishing can mean everything from an electric typewriter to laser skywriting. Perhaps this is just what is so confusing about new technologies. They often lack common definitions when they are in their infancy and as a result it always appears as though some people know how to techno talk better than others. These astute techno talkers know they can get away with this game because their subject is usually so new as to lack standards and thus any position is defensible. When technology is introduced at such a rapid pace as is the case in publishing, standards evolve. When the technology matures then the standard is what new revisions are written to just before obsolescence sets in. Examples abound! For all the early enthusiasts of computers who took the time to learn DOS, along came mouse-driven Windows. If you took the effort to learn how to program your VCR (most people still can't and don't use it to record anyway) then the advent of on-screen programming didn't surprise you a bit. If you are one of the estimated 18 million Internet address holders the chances are that you still struggle with it from time to time. When you consider that the 18 million people are from all over the world it is really a drop in the proverbial bucket and the vast majority of potential users

still await a friendlier standard. So standards are clearly the critical key to acceptance of technology by large groups of users. You wouldn't want to get in your car each day and wonder if the factory had magically changed the location of forward and reverse on your shift mechanism. Yet many electronic publishers think nothing of doing this to their online subscribers on a fairly irregular basis. This means that only the very hardy techno talkers are willing to hang on and most of the rest of us find that it is too tiring keeping up with constant change. We patiently await the stabilization that comes with standardization.

Good news, kind of! There are some standards in electronic publishing. The most important one is ISO 8879. There, you see how easy it is to become a techno talker. ISO is, of course, the International Standards Organization and they assign numbers to things that meet a global standard. ISO 8879 is the standard which SGML must meet. SGML, which is more techno talk but by now you are starting to learn, stands for Standard Generalized Markup Language. This is important to librarians. When you pick up a book you can expect to find a familiar pattern to its structure. The title page is customarily in front and the index is in the back. A table of contents will be in front and an appendix at the back and so on. Well SGML sets these kinds of standards for electronic publication structure and this means that

you can find things where you expect them to be every time.

A book, when it gets sent through the mail, stays in the same format throughout its entire trip. Not always the case with electronic data so knowing what the structure is at both ends of the transmission becomes crucial. Some similar standards exist for multimedia as well. HyTime defines how graphics, video, sound and text will be identified and linked so the performance is the same each time the product is played/read/used. Where the application of these ISO standards really shines is in the case of non-English languages. Standards that deal with structure don't differentiate between sentences which are horizontal and those that are vertical. Starting at the so called back of the book and reading forward is not a challenge for a properly SGML-designed document. Things will always be where they are supposed to be for the user of that document. So, now you too can become a techno talker and dazzle your friends while at the same time keeping your eye out for electronic publications that adhere to ISO standards for SGML. ☞

Tony Leisner is Special Assistant to the CEO of Dawson Group, Adjunct Professor of Service Marketing, J.L. Kellogg Graduate School of Management, Northwestern University and a consultant to the publishing industry.