2016

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Recommended Citation

Holley, Bob (2016) "Random Ramblings--The Out-of-Print Book Market: Some Personal Perspectives," *Against the Grain*: Vol. 28: Iss. 5, Article 34.

DOI: <https://doi.org/10.7771/2380-176X.7531>

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Random Ramblings — The Out-of-Print Book Market: Some Personal Perspectives

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The out-of-print book market has changed greatly since I started selling eleven years ago in 2005. To anchor my personal perspectives, let me describe my business. Selling books is a hobby, especially now that I'm retired and have more time to devote to this task. I'd starve if I depended on the income, but overall it pays for a vacation or two each year. I specialize in selling quirky, less common items since I can't compete against the big dealers. While I don't understand how they can make money selling items for one penny plus shipping on **Amazon**, many list at this price, in part because I'm told they get special shipping rates when they send out thousands of items together.

I occasionally buy better items at garage and library sales, but I have a large enough backlog to process for sale that I now mostly build my stock by buying the leftovers at the end of church and rummage sales where I can fill a grocery bag or box for \$5 or less. The full-price buyers have normally bought the popular best sellers and recently published items while I'm happy to get the older items, many without

an ISBN. The lack of an ISBN also discourages other book dealers from frequenting these sales since they use scanners to check out the sales potential of books with an ISBN. They often arrive at the beginning of library book sales and are sometimes obnoxious enough that libraries have banned their scanners. I confess, however, that I'm surprised that I haven't encountered many bargain hunting dealers at the close of church and rummage sales. Most often, I arrive right on time and have all the books to myself without any competition. I make my first selection and then evaluate each item for damage and annotations before putting it in the "keeper" pile. I prefer small books because I can pack more into the bag and because they are cheaper to ship. I've become an expert at stuffing the maximum number of items into the bag or box and normally pay around five to ten cents per item. I also take any media if it looks saleable and is in good condition.

I have a set process for adding items for sale. I weigh the books since shipping costs are an important consideration. To make my profit floor of \$1.00 per item with media mail

shipping, I have to sell anything under one pound for \$2.40 and then add fifty cents for each additional pound. I also have to be able to list the item on the first three screens in **Amazon**. I'm willing to ship internationally only for items that weigh less than eight ounces and to offer domestic expedited shipping if they can fit in an USPS priority mail flat rate envelope. If the book is above my minimum, I match the lowest price unless my condition is much better than the cheaper offers. I can compete with the mega-sellers by proving accurate descriptions that tell the potential buyer exactly what to expect. Finally, I add a coded location to find the items in my 2,300 square foot basement that is dry enough to be safe for books. I give things that I can't profitably sell to local libraries unless they are absolute junk suitable only for the recycling bin.

Amazon

My principal selling site is **Amazon**. **Amazon** has changed very much since I began selling there in 2009. While **Amazon** started as a

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book vendor, the questions in the seller forums indicate that its current focus is now on general merchandise in new condition. **Jim Milliot** says the same thing in his article, "20 Years of Amazon.com Bookselling." "Books were **Amazon's** largest product category as recently as 2008, but in 2015 their share of the company's total revenue — which could hit \$100 billion soon — is shrinking." (<http://www.publishersweekly.com/pw/by-topic/industry-news/bookselling/article/67986-20-years-of-amazon-com-bookselling.html>) In other words, **Amazon** serves as a site for online vendors who purchase items from wholesalers, often located in China, to resell on **Amazon**. Many sellers believe that **Amazon** tracks items with a high volume and then adds them at a lower price to the list of items it offers by taking advantage of its negotiating power with the manufacturers. **Amazon** also has complicated rules and extensive metrics to which sellers must agree. Since these rules favor buyers, sophisticated scammers look for sellers, especially new ones offering desirable items such as expensive electronics, and "induce" them to make "mistakes" against these rules. If the seller is not careful, the buyer sometimes both gets a refund and keeps the merchandise. I've had this happen to me several times when the buyer realized that I had listed a paperback as a hard cover or vice versa and hoped that I would let them keep the item for "free" without requiring a return. I now always ask to have the item sent back even if this means losing more money to discourage such dishonest buyers. I am also very careful to follow **Amazon** policies so that **Amazon** is more likely to side with me in any dispute. **Amazon** permanently bans sellers for offenses such as selling counterfeit goods, even if the wholesaler described them as legitimate.

Amazon has a high commission structure, the main reason for my \$2.40 minimum selling price. I pay \$39.99 per month to be a professional seller so that I have to sell 40 items per month to profit from this decision that removes a \$1.00 per sale fee. For books, **Amazon** then charges \$1.35 for each sale plus 15% of the purchase price. (Fees vary greatly according to the merchandise category.) I get a \$3.99 shipping credit for each domestic sale that most often contributes to my profit margin since books are eligible for reduced media mail rates. While the recent drop in USPS prices has helped the bottom line, shipping costs have gone up substantially since I started with only one rate adjustment upward for media on **Amazon's** part.

Why do I then sell on **Amazon** with all these issues? Because I'd rather sell things with all these concerns than not sell anything at all. I often ask friends, including fellow librarians, where they would look first for used books; the answer is uniformly **Amazon** for its reputation as a bookseller and for the wider selection of around 15-20 million titles. I had sold books on **Half.com**, an **Ebay** company, for four years before I started selling on **Am-**

azon because the commission was less and the policies were more favorable to sellers. While the number of items listed on the two sites differs for several reasons including the fact that **Amazon** has many more titles and that I have the ability to add new records to **Amazon** but not to **Half.com**, my sales on **Half.com** have shrunk from 47% by unit and 29% by revenue in 2009 to 6% by unit and 5% by revenue for 2016 to date. To repeat what I said in 2012, **Amazon** continues even more aggressively to eat **Half.com's** lunch. (**Holley, R. P.** (2012). *Amazon is eating Half.com's lunch*. *The Charleston Report*, 16(6), 4.) I don't know what is happening on other major selling sites such as **Abebooks**, **Alibris**, and **Biblio**.

Prices and Sales

Prices continue to move downward for the type of items that I sell. I expect that this observation is true in general for books and media. I don't use an automatic repricing program so that I regularly check my prices for items that have been for sale for at least a year. If a lower price for the same or better condition is above my minimum, I match this price. I also check on selected items where my price is the lowest to see if I should raise the price. Overall, I have lowered a significant number of prices. I would suggest two principal reasons for this: the number of new sellers including thrift stores and libraries and eBooks' increased popularity that is decreasing some readers' interest in print materials. My sales have also decreased, most likely for the same reasons. Articles and comments on the out-of-print book market note that making money is no longer as easy as it was ten years ago. I would discourage anyone from entering the market unless they had a reliable source of supply, lots of time, and no other more profitable option. This is good news for libraries with any interest in retrospective collection development, but their shift in focus towards eBooks and the increasing importance of self-publishing surely lessen their interest in supporting retrospective buying with limited collection development funds.

Media

Since libraries also acquire media that they would like to sell, I'll make a few quick observations. VHS is dead except perhaps for grandparents who wish to entertain their grandchildren with Disney and other popular juvenile videos and don't have a DVD player. I've sold one VHS tape in the last six months. At my local public library, VHS tapes are discarded after being offered for one book sale unless they fall in the Disney category. DVD's remain popular, but the prices have dropped for used copies. The one stronger area is television series, but even here used prices are often under \$5.00 per season. Music CD's are also trapped in a slow death spiral as digital music makes them obsolete, but some still sell if the price is right. Surprisingly, both vinyl and audiocassettes are still in demand. Vinyl has become collectible so that some records fetch high prices. Only because I was able to do so easily with a standardized description, I added a few hundred audiocassettes to my inventory and have sold quite a few at better prices than

the equivalent CD. A few buyers have commented that they still drive older cars with tape players. I don't have an opinion about recorded books, but they don't sell all that well at my public library's book sale. Finally, computer games, especially if new, can fetch high prices from collectors even if they are obsolete and no longer playable on current computers and consoles. As with music, current games are often downloadable and do not have physical versions that can be legally resold. As time passes, the market for computer games will most likely shrink.

Libraries

I subscribe to a large number of discussion lists where I encounter questions about disposing of unwanted library duplicates and withdrawn items. Many libraries talk about sending these items to the various out-of-print vendors that offer to sell library books on consignment such as **Better World Books**, **Thrift Books**, and **Alibris**; but I've been surprised at the number of libraries whose Friends groups sell these items on **Amazon**. I've posted several times about the effort required to sell there because it requires a dedicated team that processes orders daily and monitors **Amazon** emails to deal with any problems. Nonetheless, some libraries have reported successful results. They most often look up items that potentially are worth more than book sale prices and then list them on **Amazon**. Like me, one library reported that they sell only books that they can competitively price for \$3.00 or more. I don't recall any library that used any of the other selling sites. I was particularly impressed with a library that reported that its Friends collectively made \$150,000 annually from selling used items. I have observed from shopping at libraries that many overvalue hard cover best sellers and coffee table books and undervalue the quirky, outlying titles of potentially much greater value.

Conclusion

From my perspective based upon personal experience, I believe that the out-of-print book market has declined in volume and revenue over the last decade. It is still possible to make money, but it's not as easy to do so. Individual sellers must be more selective in what they offer for sale since they can't compete on price with the increasing number of mega-sellers with their penny books. The lower prices benefit libraries that wish to buy older materials since shelf books of the last two centuries are overall readily available at acceptable prices, but probably few libraries will undertake extensive retrospective buying projects. Though I talk above about library success stories, libraries may find it increasingly more difficult to generate funds from their unwanted gifts and withdrawn items. The value of all types of media has dropped sharply with the increase in streaming. I expect that the current trends will continue with the increasing popularity of eBooks and digital media. 🌧