

JERZY LESZEK OKUNIEWSKI

Vice President of the Management Board of Przedsiębiorstwo Hurtowo-Detaliczne
"Książnica Polska" in Olsztyn

THE POLISH BOOK MARKET CONSIDERATIONS AND REFLECTIONS



In 1992 Mr. Okuniewski led the privatization of the publishing house "Dom Książki" in the form of employee leasing. From that time until June 20, 2017, he was the president of the management board of Przedsiębiorstwo Hurtowo-Detaliczne „Książnica Polska” in Olsztyn. From June 21 this year, he has been serving as the vice president of the management board of this company.

A long-time member and activist of the Polish Booksellers Association (SKP) and former chairman of the District Board of SKP in Olsztyn and vice-chairman of the Main Board of SKP, in 2017-2018 he was the chairman of the Main Board of SKP. In 2017-2019, he was a member of the Council of the Polish Chamber of Books. He has been a lecturer in postgraduate studies at the Polish Academy of Booksellers and in postgraduate studies in Publishing Policy and Bookselling at the University of Warsaw. He has also been a lecturer in courses and webinars for booksellers initiated by the Institute of the Book. In 2001 he obtained the Expert's Certificate in the field of book trading, awarded by the Expert Committee at the ZG SKP. In 2010, he was nominated for the IKAR 2010 award and the Special Award for the ability to combine the passion of being a bookseller with the realities of the contemporary book market.

ABSTRACT: Thesis / Purpose of the article – Books are (still?) one of the most important transmitters of thoughts and knowledge in time and space, and they provide a very important form of bond and communication among societies. In the economic dimension throughout the world and in individual countries, books have been marginal for hundreds of years. The global book market accounts for just over 0.5% of the global trade market, with an estimated annual value of USD

26-28 trillion. In Poland, this indicator is slightly higher, but still marginal. **Methods** – the author’s own experience, observations, and tracking of what is happening on the book market have allowed for capturing the most important trends. **Conclusions** – The importance of the book and the role of reading are unquestioned. The book market is struggling with many problems (lack of a fixed price for a book, laws regarding books, a drop in sales, readership, diminishing importance of bookstores, etc.), which have additionally been aggravated by the pandemic.

ABOUT THE MEANING AND NATURE OF THE BOOK

The intellectual history of mankind is associated in particular with the invention of writing and later printing. As Walter Ong (1912-2003) – an American Jesuit, cultural anthropologist, expert in English literature, religious scholar and philosopher put it, this invention allowed for the (modernizing) “technologization” of the word, thoroughly changing, among other things, the relationship between speech and thought. In the place of speech, which always takes place in the conditions of the physical proximity of the people talking and the related impairments – impermanence, understatement, the ephemeral nature of words and thoughts, and often communicative chaos – introduced a kind of order, continuity and consistency. It also introduced a certain order, a repetition of the message, of thoughts and – especially from around 1540, along with the spread of printing – visual regularity, correctness of language and orderliness of the text.

Giving the text a paper codex form became the “leaven” of the phenomenon in the form of a printed book. Thus, a book means “writing down” intangible texts on a material medium, which is paper, and thus specific content, ideas, messages and images, which are created, developed, preserved, shared and promoted in this way. The printed book becomes a kind of duality. On the one hand, it is a “commodity” subject to the rules of the market and commerce, and on the other hand, it becomes one of the most important communicators, transmitters and carriers of culture, knowledge, education and a number of other phenomena, the meaning of which goes beyond what is symbolic and economic. This is where the deep specificity of the book as a thing, object, and work, comes in, which is to enable the reception, transmission, and circulation of the text, meeting complementary aesthetic, intellectual, social, and economic goals. One could say that it constitutes a specific cultural and commercial idiom.

One thing should be highlighted and emphasized. It is commonly said that “the author wrote the book”. Well, authors don’t write books. Authors write texts which others – in the process of giving the book its physicality and material existence – transform into a book in its physical sense. Books are the result of the work or activities, next to those of the author, of publishers and printers, their editors, proofreaders, reviewers, illustrators,

and people of many other professions, who give the book the final form of the material text, its shape and appearance.

So the book to some extent becomes a collective product, dependent both on the author of the text and on other people and institutions participating in the final bestowing of what we can define as its materialization. The process of creating a book is therefore not only related to writing, but also to the publisher's and printer's labours, which are subject to autonomy/limitation according to the author's decisions. It is their actions that ultimately "build" the book. The selection and size of fonts, page illumination, margins, the number of chapters, paragraphs, illustrations, tables, charts and drawings, layout on individual pages, as well as indexes, links, in particular the title page, spine and covers – construct what we call the "readability" of the book, which is of paramount importance in its perception and reception.

The above-mentioned efforts and activities always contribute to making the text as communicative as possible and legible for thousands, and often millions of readers. Hence the multiplicity and, in very frequent cases, the complexity of adaptational tasks related to the "product" that the book ultimately becomes.

But it should also be noted that we seem to be witnessing a crisis in the editorial arts, and also in the art of publishing to a great extent. This is the result of, among other things, minimizing the costs of publication, haste, and often a lack of proper care for the correct Polish language. We are also dealing with a specific, gradual, progressive anemization of the book.

Andrzej Tomaszewski, a well-known typographer, polygraph, promoter of typography and beautiful books, made an attempt to point out to the "bookmakers" – as he somewhat mischievously describes the animators of the printed word – the basic requirements of the book, the fulfilment of which largely determines the success of publishing, sales and reading:

- first – an element of the aesthetic quality of a book is the compliance between its content and form,
- second – shaping the graphic design of the publication in such a way that the visual quality of aesthetic unity harmoniously combines all its elements,
- third – ensuring the functionality of the book in the context of the convenience of its future user/reader,
- fourth – creating an original approach consisting in shaping the book based on an innovative concept,
- fifth – the graphic and artistic value of book illustrations (graphic, painterly and photographic),
- sixth – the quality of the book, technical perfection in individual production runs, as well as the high standard of materials used, such as paper, inks, bindings, etc.

To sum up, we are dealing with two basic mechanisms: those that reveal the strategies and intentions of the writer and those that result (in a general sense) from the decisions of the publisher and the printer.

Understanding a book is not only about reading it, but also about the perception of the above-mentioned labours and treatments by its recipient/reader. The sociology of texts pays strong attention to the essence of the form in which the text reaches the reader of a book from almost every angle. This is of almost fundamental importance for the perception and appearance of the book, creating a space suitable for the reading and understanding of readers. Thus, the book provides readers with an almost metaphysical experience.

A book without a reader exists only potentially. It is the reader who gives it real life. Thus, reading practices do not only depend on the textual content and type of text with which the reader is dealing, but also, as I mentioned above, on the material form of the text. Therefore, publishers pay more and more attention to the subsequent editions of titles entering the book markets.

A book is more than a medium for text, and many see it that way. The book may evoke various reactions among its recipients/readers, and may also be endowed with sometimes extreme feelings and emotions: from love, through indifference, to hatred. In the past (both distant and near) it was also destroyed and burned. There may even occur the so-called Stendhal's syndrome, consisting in mental disorders related to, for example, exposure to a large number of books or various other works accumulated in a small area, combined with the loneliness of persons during, for example, forced quarantine. But the book in such situations can also be a therapy, an effective antidote to trauma and depression, a kind of psychedelic, a salvation from boredom and nothingness. Libraries and media clearly testify to the growing interest in books and reading during the current pandemic. This can also be seen in the example of the Book Centre in Olsztyn, "Książnica Polska". Many customers also believe that the text of a book is only the starting point for further development of the imagination, and that, for example, the illustrations and other aspects of the book also become important, e.g. the type of paper on which it was printed, its colours, as well as individual cognitive characteristics, e.g. how it feels or smells. Thus, perfectly printed/published books will take these specificities into account.

When writing about reading practices, it is worth remembering that "consuming" or reading a book takes place in two manners: quiet and loud.

Silent, quiet reading, although known in antiquity, did not spread until the end of the Middle Ages, and fully assimilating the text in this form came even later. Quiet reading is, of course, reading with the eyes only. So, for obvious reasons, it is very individual and, one might say, intimate.

On the one hand, reading aloud gives people who do not know how to read on their own the possibility of getting to know the given text, while at the same time it can bind, for example, social relationships of relatives and acquaintances, friends, etc.

It is worth noting that reading aloud has been practiced to this day to a limited extent, including in churches during the liturgy. Reading aloud in community life has been taking place for centuries in religious orders and congregations, both male and female. Spiritual readings, Church documents, writings and lives of saints are read aloud, among other times during meals, such as at supper and on other occasions.

The book in its current codex form has replaced its earlier media, e.g. scrolls. Printing, in turn, has replaced the manuscript. The current possibilities resulting from the digitization processes, transferring almost the entire textual heritage from one medium to another, is relatively simple, but it can also raise growing concerns, as it can create a very real risk of losing our understanding of the culture of the text. After all, we are dealing with the issue of a specific “lightness” of digitized knowledge and content. We can take a book in our hand, fold the corners of its pages, listen to the rustle of the pages being moved, feel the delicacy of the paper, its smell, etc. – that is what we will always associate with reading a book. Text contained in files is usually perceived by the sense of sight, less often by hearing – we absorb it faster than a book on a paper carrier, but much more shallowly. We “accumulate” less and less content in this way for longer. Giving texts a new electronic format cannot and should not, under any circumstances, burden us with abandoning, forgetting, eliminating, or simply destroying their current medium/carriers.

In practice, we assume that the text is the same regardless of the carrier on which it was placed. However, the same text, although stabilized in meaning, depending on the medium on which it was placed and the way it is assembled, may acquire new meanings. It is therefore a mistake to assume that the text always remains the same, regardless of its material form.

Positive changes in the medium are also important – in this way, the text can gain a new reader who has various limitations and aversions to the paper form of the text.

When its medium changes, the text is no longer the same text, because as a rule both the manner of reading it and the process of creating it change. Present and future e-books will probably continue and develop, but as a marginal format, an addition or a supplement to traditional paper books, which will still prevail for tens or even hundreds of years, and which will continue to be produced, printed and purchased and read by their users. But we must also be aware that the traditional book is ceasing to be what it used to be. In many environments, the book begins to be treated as a relic

of the past. The death of the book – which, of course, should not be expected – would be a catastrophe, a threat to our contemporary cultural civilization and the harmonious development of mankind. It would mean the eradication of basic human skills that shape and determine the mind, the psyche, spirituality, our means of learning about the surrounding reality.

VALUES GAINED FROM READING BOOKS

Colloquially it is said that “books teach, entertain, educate”. This statement gives the essence of the function and meaning they have or create. But these are not the only values, properties, or attributes that books fulfil in social circulation. We do not see or appreciate many of them. This is even understandable to some extent, because each of them is revealed only in the process of “consumption” of the book – that is reading.

Books, apart from cognitive, educational, playful or socializing values, have therapeutic properties in particular, preventing – by creating cultural competencies – cultural impairment, stimulating (especially in children and adolescents) a natural hunger for knowledge. Although they do not have healing properties, they undoubtedly have a very positive effect on treatment processes, stays in health institutions, etc. They can also fulfil specific rehabilitation goals (hence the popularity of reading books in prisons and other places of detention).

Currently, Polish (and not only Polish) society combines a peculiar civilizational and political ADHD. Culture broadly understood, including books and reading in particular, can visibly weaken and tone down these processes and their effects – be a kind of “detox” to the problems of the modern world, politics, social and economic processes, as well as the flood of informational garbage from which the modern man – often busy, overworked, tired, stressed – begins to simply fall behind. Librarians know this very well, and maybe a little less so teachers, as well as book people – writers/authors, publishers, and booksellers. Unfortunately, readers, especially potential ones, who do not appreciate the book as an atypical catalyst, tempering everyday stress, the pace and complexities of life, everyday problems or various adversities, have much less knowledge about these specific properties.

The campaigns promoting books, carried out more and more intensively, most often speak of encouraging or persuading a potential customer to buy a book or borrow it from a library and read it. The real – often enormous – benefits of having a home book collection, actively visiting bookstores and libraries, and benefits related to “live” contact with books and their reading are very rarely shown. It is all the more important as the popularity of television, computers and all electronic media and con-

tent, of watching movies, playing computer games, or surfing the Internet, not to mention of mobile phones, is growing fast and ever faster – to the obvious detriment of book readership. This is especially true for children and adolescents. Therefore, as early as possible, the initiation of reading among children and adolescents should be particularly actively instilled and conducted.

Reading books certainly extends your life. Books stimulate and develop the mind. They stimulate many areas of our brain through reading – they develop the imagination, support concentration and form associations. Books have a calming and balancing effect on our lives. Dr David Lewis, the French-born neuropsychologist, founder and director of the Mindlab International research centre at the University of Sussex, internationally renowned lecturer and author of over 30 books on psychology, has conducted research and made measurements showing changes in heart function under the influence of various activities considered to be sedative. It turns out that reading effectively reduces the level of stress by as much as 68%, while, for example, listening to music reduces stress by 62%, drinking tea by 54%, or going for a walk by 42%. It is worth reading books before going to sleep, because this activity significantly improves its quality and causes the necessary relaxation before falling asleep. Books develop analytical thinking and deepen knowledge – each book we read leaves fragments of varied information contained in its contents in our mind. They significantly expand important cultural capital, creating powerful added value.

Researchers from Yale University in the United States conducted research on people aged 50+, subjecting them to various health tests, related to their reading skills. And what did they find? 30 minutes of reading a book every day is enough to improve your chances of extending your life by as much as 17% in the next dozen years. Reading books every day for about one hour can extend your life by almost 25%. Statistically, book readers live on average two years longer than book abstainers. It should be added that people who do not read either books or newspapers are – especially in today's reality – more susceptible to simplifications and manipulations.

These are only some of the benefits of reading. In fact, there are many, many more.

RESTORE THE DIGNITY OF THE BOOK, OR A FIXED BOOK PRICE

Generally speaking, a fixed price for a book is a type of decision made through an industry agreement or state regulation in the form of a legal act, e.g. an act whereby the producer (publisher) of the book sets the (re-

tail) price of the book for the final recipient (buyer-reader). The price specified by the publisher is valid for a specified period (in practice, from 6 to 24 months from the date of publication/entry to the market), throughout the country, in all sales channels. The retail price is printed on the cover of each copy of the book. The agreement/statutory regulation usually specifies a catalogue of exceptions to this price, listing end customers who may (to a limited extent) use rebate benefits during the price protection period. This usually applies to libraries, schools, sales during book fairs, or to individual recipients on special terms.

The fixed price of a book has a long (almost 200-year-old) tradition in the world. The idea of a fixed final price appeared in Great Britain as early as 1829, where publishers agreed against the devastating rebates practiced by booksellers. Similar solutions began to be used in Denmark (1837), Germany (1888), and France (1889). The standardization of relations between booksellers and publishers was carried out in the form of the so-called recommended retail prices for books. In recent years, similar regulations on book markets were introduced, in among other places Hungary, Sweden, Japan, the Netherlands, Australia, Iceland, Finland, Austria, South Korea, Mexico, Greece, Norway, Italy, Portugal, Slovenia, Belgium and Spain. In 1981, the so-called Lang Law (after then Minister of Culture Jacques Lang) was introduced in France, which later served as a model solution in other countries. In 2002, the industry-specific agreement in force in Germany for decades was replaced by a state law on a fixed price for books.

A fixed price for a book, valid for a specific period of time, is primarily intended to equalize the chances of cooperation between large book distribution networks (bookstores, large-format chains, the Internet, and other sales networks) and independent bookstores. A dense network of bookstores offering a wide, ambitious literature is widely regarded as one of the basic conditions for the development of sales and readership. One can probably risk the statement that there is a kind of correlation between the decreasing number of bookstores in Poland and the decreasing level of readership. This conclusion seems to convey an obvious message: the density of the book sales network and the possibility of physical contact with a book (which is never and never will be provided by the Internet) have an impact on both the growing level of sales and readership.

It is also difficult to agree with the claims of opponents of price regulation on books that this will lead to an increase in book prices. There is no evidence for this, while the simulations carried out (while working on the bill on a fixed book price in Poland) indicate that book prices may drop by as much as 10-12%, although "point" price increases (in the case of some titles) may occur.

It should be added that several countries, including Hungary (after having a law in force for more than 100 years), Norway, Iceland, Australia,

Belgium, Sweden, Finland, Israel, and the United Kingdom, in time withdrew for various reasons from the statutory regulation of book prices. In some (Finland, Austria) this solution was reintroduced. The case of the UK is interesting: In Great Britain the withdrawal from this regulation meant that it became commonplace to see independent bookstores rapidly displaced by chain stores, combined with lower prices of bestsellers at the expense of increasing prices for other publications. By comparison, in 2004, in France, which was covered by the Lang Act, there were over 2,500 bookstores, managing nearly a quarter of the local book market. In Great Britain, 40% of the previously functioning independent bookstores were closed shortly after the act was repealed, and in 2014 shrank to just less than 4% of the British book market. The resignation from the Net Book Agreement in 1995, due to a strong lobby from the dominant bookstore chains, meant that the British book market is currently very strongly dominated by a global player – Amazon, with over 60% market share, including 85% in the e-book segment.

Efforts to normalize the book market in Poland have over 10 years of history. The apogee of these efforts took place in the second half of 2014, when the draft act was discussed by the relevant parliamentary and senate committees thanks to the PSL (Polish People's Party). Due to the end of the term of office of the Sejm and, it can be said, clear resistance and obstruction by some prominent politicians of the Civic Platform, the bill was not discussed by the Sejm at the time.

The Polish Chamber of Books again dealt with the drafting of the law on the fixed price of books at the beginning of 2017, referring it to the Ministry of Culture and National Heritage, which earnestly addressed the submitted document. Several consultation meetings with the book community, i.e., publishers, booksellers, and booksellers from online bookstores were held at the Ministry's premises. The meetings were attended by the Deputy Prime Minister, Minister of Culture and National Heritage, prof. Piotr Gliński. I had the pleasure and honour to participate in these meetings as a member of the PIK Council at that time and the Chairman of the Board of the Polish Booksellers' Association. The temperature at the meetings was very high at times. It was clearly visible that a part of the book world did not identify with the submitted project. I admired the calm and composure of the Deputy Prime Minister, who had to call the participants to order and rein in their emotions many times.

Before and after the meetings, extremely active hate activities occurred and so-called open letters appeared. There was a buzz on the Internet about the proposed bill. Numerous haters and trolls appeared, spreading provocative comments and apocalyptic visions of the collapse of readership and the end of the book after the law was passed. In *Gazeta Wyborcza* of March 16, 2017, editor Wojciech Maziarski published an article entitled

“How to finish off the book readership”. The content which is altogether bizarre follows the final punch line: “... a further decline in readership, which is already dramatically low in Poland, which in turn affects the state of knowledge and awareness of citizens. We observe the effects from time to time during elections...”. It would be a pity to quote further. If you read the content and message of the quoted article literally, then after the law came into force, the book in Poland would await the proverbial Armageddon.

The meetings were attended, among others, by representatives of the Jagiellonian Club from Krakow (a Polish association and socio-political think tank with a conservative and republican profile), and the Republican Foundation from Warsaw (a non-governmental organization running a think tank, publishing, and educational activities related to the “Republican” Association). Of course, both organizations came up with very harsh criticism of the book bill. After the meetings, the foundation published an “interesting” position on the Internet: “For several weeks there has been a storm over the alleged draft law on changes that would affect the trade in books. Everything seems to indicate that the scandal around the uniform price of the book is based on manipulation and/or deliberate disinformation.” In turn, the Jagiellonian Club published five “bright” better ideas for the book market in Poland: 1. Deducting in the PIT declaration – a better idea, but imperfect; 2. No VAT – The best, but a difficult solution; 3. Lower VAT on e-books and audiobooks – this is up to the European Union; 4. Library purchases – a systemic and civic solution; 5. Local bookstores – for this you need to build a reading “ecosystem”. I only signal these better ideas. Their development and description would require a separate article.

From the meetings, I got the impression that the Ministry of Culture and National Heritage is seriously interested in the draft bill submitted by PIK. I remember the words uttered and emphasized by Deputy Prime Minister Gliński during the first meeting (March 2, 2017) – I quote: “the book is one of the basic pillars of culture and this is the basic indicator of its place and meaning in the lives of Poles”. For this reason – as Deputy Minister Gawin stated – “further consultations will be conducted, but so far there are no binding decisions. We try to balance all arguments. We have doubts that uniform pricing of books will translate into readership in any direction, but it may save small, independent bookstores, especially in smaller towns where residents buy books (or – my note – book-like products) at food discount stores (and again my comment – usually smothered in baskets, located, for example, in sections with alcohol or women’s clothing). The profession of the bookseller is a dying profession today. An anonymous seller from a “chain” will also not replace a reader’s contact with a real bookseller, for whom selling books is not only a business, but also a mission.”

The bill (albeit with comments) is also supported by bookstore organizations and chambers: of course, the Polish Book Chamber and the Association of Polish Booksellers, not counting many booksellers and bookstore companies, which supported the bill in over 600 petitions to the Ministry of Culture and National Heritage.

On the other hand, online shops/bookstores are strongly opposed to the bill, spreading information in the media that they will not be able to grant discounts when selling, and that readers will lose tens of millions of zlotys. This is clearly untrue and perhaps deliberate, sophisticated disinformation aimed at Poles.

During one of the meetings at the Ministry of Culture and National Heritage, Grzegorz Majerowicz, vice-president of PIK, made an interesting comment, saying "I would like to see what the sale of online bookstores would look like if they could not use free showrooms, which is what stationary bookstores have turned into. The reader comes to them to look at the title, but buys the book online."

The bill provides for maintaining a fixed price (printed on the cover) and restrictions on granting a maximum retail discount on new publications only during the first 12 months after the book's launching. Thus the restriction in creating discounts applies only to a small part of the book offer on the market (not exceeding 20%) and only for a strictly defined period of time. During this period (12 months), sellers/booksellers could grant a discount of 5% of the book cover value in normal retail sales, 15% at book fairs during the period, and 20% for public institutions (cultural institutions – libraries, educational institutions, universities, research and scientific institutes of the Polish Academy of Sciences). The regulation also covers school textbooks – the act allows the end seller to grant a 15% discount on textbooks when they are purchased by the parents' association of students of a given school, who use a given textbook, whose statutory goals provide for undertaking actions in this area.

The benefits from introducing price regulation on books can (or will) be:

1. Readers will be able to take advantage of a much wider publishing/title offer, they will also have easier access to the rich, valuable and ambitious offer of smaller (so-called niche) publishers, who are currently unable to cope with the price wars waged between sales networks in the retail market for books and can only enter this market with difficulty.
2. The process of liquidating independent bookstores, which have no chance of surviving in the current commercial conditions (I omit the pandemic period here), will also be slowed down (or even blocked), mainly in smaller towns, but also, for example, in Warsaw, where in the recent several years the number of bookstores decreased by almost 40%. What is more, there will be a chance to revive at least some of the over 1,000 bookstores closed in recent years.

3. The prices of books in bookstores and points of sale will not increase, but will even fall. This will obviously result from the following premises – producers (book publishers) will be forced to set rational, balanced and responsible book cover prices. Today, publishers often inflate the prices of books, calculating them right off the bat with very high discounts given to large sales networks and libraries in mind.
4. There will be a great opportunity to increase the production (new editions) of books, develop the publishing offer, its quality and availability. For example, reactivating half (i.e. 500) of closed bookstores within 5 years will result in a visible increase in sales (of at least 150-200 million PLN per year) and an increase in circulation (by at least 3.5-4.5 million copies), which of course will directly translate into an increase in average circulation (currently about 3,000 copies) and the obvious associated decrease in copy prices.
5. The Act will not eliminate competition in the book market in the slightest way. Both publishers and booksellers will compete with each other. Publishers will continue to compete with each other with the diversity of the title offer and different prices of books, while competition in bookstores, large-format stores, discount stores and online stores (bookstores) will consist in competing in terms of the breadth and quality/subject of the assortment/title offer, quality of service and competencies of booksellers/store personnel;
6. The Act gives hope for a visible improvement in conditions for the functioning of authors, providing them with the possibility of agreeing with the publisher in a clear, transparent and precise manner the royalties/fees for writing a book. Perhaps it will also stimulate native authors to write (for example, out of 18 titles in fiction which enter the market, 16 are titles of foreign authors).

And one more conclusion to end with. The Book Act alone will not ensure the full sorting of the book market, increasing book production, sales, and readership. It is the first and necessary condition, but not the only one. The Polish book market requires a deep reform.

THE POLISH BOOK AT A CROSSROAD – DANGERS AND DIFFICULTIES

The Polish book market has been drifting more and more for several years. This drift is marked in particular by visible annual drops in publishing production (from 1 to 4% annually) and book sales, a decreasing number of bookstores operating on the domestic market, and their increasing degradation, both in the eyes of customers/buyers purchasing books and of their trade partners – mainly publishers and wholesalers,

among whom many of their most important partners in boosting sales volume began to consider more common sales networks (such as “Biedronka” or the post office), or other places of sale. Bookstores, which should obviously take precedence in selling books, are losing their importance also as vital cultural institutions. To this should be added the growing problems in finances and payments (loss of liquidity) in the industry, numerous bankruptcies and liquidations that cause confusion in the market, most often affecting publishers and printing houses, which are at the beginning of the book circulation chain.

Tab. 1

Basic indicators of the book market and the changes taking place therein

	Specification	Year 1998	Year 2010	Year 2018	Decrease (-) Increase (+) 2018/ 2010	Decrease (-) increase (+) 2018/ 1998	% decrease/ increase	
							2018/ 2010	2018/ 1998
1	Number of titles published	24.000	24.380	39.199	+14.819	+15.199	160,8	163,3
2	Of which: number of first editions	13.500	14.430	26.767	+12.377	+13.267	185,5	198,3
3	% of first releases in total	56,3	59,2	68,3	+ 9,1	-	-	-
4	Outlays – the volume of publishing production in millions of copies	150,0	139,2	91,0	-48,2	-59,0	65,4	60,7
5	Average circulation of a title in the number of copies	6.250	5.710	2.150	-3.560	-4.100	37,7	34,4
6	Revenues from sales at publisher’s selling prices	1.450	2.940	2.250	- 690	+800	76,5	155,2
7	Average retail price of 1 copy – in PLN	19,50	32,50	43,90	+ 11,40	+24,40	135,1	225,1

8	Number of bookstores	ca. 3.100 ^{x)}	2.450	1.450 ^{x)}	-1.000	-1.650	59,2	46,8
9	Population per bookstore	12.471	15.528	26.109	+10.581	+13.638	168,1	209,4

x) approximate

Source: Author's own study – based on *B-ka Analiz* data

Looking at the table above, you can clearly see the aftermath of the total nihilism in this industry. Admittedly, a cause for modest optimism – although many have doubts in this regard – may be the ever-wider publishing offer (the growing number of titles offered on the market), but in the opinion of both book consumers and professionals, the offer for Polish readers is weakening – primarily in terms of quality. The state of the current market is increasingly influenced by the so-called “Readers”, which are far from being valuable books with significant cognitive, educational or cultural values.

The condition of the bookstore network (the rapidly decreasing number of bookstores) is almost a threat, which can (and does) cause in many parts of the country (especially in rural and small-town environments) exclusion from direct access to books, which obviously overlaps with the very low reading rate (one of the lowest in Europe) and the absence of physical presence of books in households.

And one more interesting table illustrating the changing channels through which the book reaches buyers and readers:

Tab. 2

Fragmentation of the book sales market

Sales channel (%)	Year 2000	Year 2005	Year 2010	Year 2015	Year 2019
Internet	1	5	18	38	46
Bookstores	48	39	41	36	25
Hypermarkets/Chains	7	10	14	15	16
Press kiosks	4	14	7	8	10
Other	40	32	20	3	3

Source: Author's own study – based on *B-ka Analiz* data

The main reasons for the current situation on the book market are:

- Progressively faster changes in civilization, culture (the growth of so-called consumption culture), technological (including Internetization, progressive digitization) and biological (the aging of Polish society – in 2050 the country's inhabitants aged 60+ will constitute over 40% of the population; currently they are one quarter).

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- Growing commercial space in ongoing social processes – the infantilization of adults and adolescence of young people, mainly children.
 - A low level of readership (one of the lowest in Europe).
 - Undoubtedly, the introduction of VAT on books in 2011, associated in the general public awareness with a visible increase in book prices.
 - The submission of the Polish book to some form of brutalization, almost complete commodity production, disregard for its dual nature as one of the most important cultural and social communication assets as well as a commodity.
 - The price and discount wars that have been going on for many years, have a destructive impact on the book market, its functioning and the perception of bookstore customers. Also resulting in the elimination of hundreds of bookstores from this market as a result of, among other things, unfair competition.
 - Bankruptcies and liquidations of many companies operating on the market (publishers, wholesalers, bookstores), causing a visible decomposition of this market – also in a very important financial dimension.
 - Drastic shortening of the life cycle of a book on the market. Many book titles are sold to the so-called cheap book bookstores, bazaars, markets, etc.
 - Lack of basic regulations and principles of functioning of the contemporary book market in Poland, which causes almost complete disruption of this market.
 - The “flight” of school textbooks and libraries from bookstores, which often contributed to their existence and financial condition and to the number of their visitors.
 - The lowering of the level of professionalization in the book market – for example, we have book publishers and book producers, we have booksellers (already a very small group) and sellers of books (a rapidly growing group).

Certain catalytic mechanisms become indispensable in the book business, giving order to the book market and eliminating the anarchy and disorder that prevails in it:

- Organizations operating in the book market, including PIK, PTWK, and SKP, undertaking active measures aimed at returning the VAT rate to 0% on books, which, above all, would lower their prices. This in turn could undoubtedly be a good initiator and a forecast of readership growth in Poland. 0% of the VAT rate for books applies, among other places, in Britain, Ireland and Ukraine, with VAT rates on books ranging from 2.5% to 4% in wealthy countries such as Spain, Luxembourg, Switzerland and Italy. Why not Poland?
- Efforts towards a law on the book (the constitution of the book), determining its significance, functioning, promoting and emphasizing

the importance of the development of reading in the country, as well as the obligations of state and local authorities and other authorities in matters of protection of the book as a special good – social, educational and cultural – even providing some sort of privileges in renting premises to bookstores, rent preferences and other levies.

- Introducing tax relief for people buying books and building their own home book collections, in the form of, for example, annual income tax deductions, such as 500 PLN – which would be the equivalent of purchasing one book per month on average and an incentive to do so.
- Elimination (complete cessation) of the long-lasting price and rebate wars that destroy and restrict the book market. At least a partial “recovery” of the book as a basic cultural asset.
- Printing of retail/final prices on book covers.
- Centralized promotion of books and reading as a basic value of national culture, civilizational development, and increasing the competencies of Poles, financed from public funds.
- Establishment of at least 1,000 fully professional, highly qualified bookstores – also specialized ones, with additional benefits, services, values and services. Offering the highest standards to meet the book needs of customers. The introduction (discontinued earlier) of certification of bookstores – as an additional incentive to raise the standard of bookstores. During one of the meetings at the Ministry of Culture and National Heritage, in which I had the honour to participate, one of the discussants present in the room reacted negatively to the statement that we have nearly 2,000 bookstores in Poland, saying that we have at most 300 real bookstores in the country.
- Undertaking actions to eliminate the exclusion from access to books experienced in many regions of the country, mainly in rural and small-scale environments and towns, where there are no bookstores and books available to those who want to buy them, which undoubtedly has a direct impact on the low level of readership. There are 650-700 bookstores in the Czech Republic, which is four times smaller in population. There are on average 17,500 inhabitants per one bookstore. In Poland there are almost exactly 10,000 more than this.
- Raising the rank of the bookseller’s profession and its higher professionalization. The situation right now is that we have an increasingly shrinking bookseller environment and a rapidly growing book sales community. The profession of a bookseller is slowly beginning to disappear, and the bookstore industry needs well-prepared specialists in the sphere of turnover, sales, promotion of books and activities developing the reading environment, as well as economics and bookshop management – reducing costs.

- Those within the book world, especially booksellers, are deeply aware of the ever-changing book environment – the book market will simply be more and more demanding and difficult, as well as requiring more and more investment in bookstore customers, acquiring them and building loyalty. Additionally, there will be rapidly changing technological conditions, involving progressive Internetization, digitization with the rapidly growing primacy of digital solutions over paper solutions, construction of mobile applications for the needs of corporate communication, personalization of sales through artificial intelligence (which, according to market experts, can increase retail profits even by 60%), self-service cash registers, digital payments and probably many other novelties and solutions.

As opposed to the market circulation, Polish books function much more efficiently in the library circulation. In the nationwide ranking of libraries recently published by the National Library, declines/regressions also take place, but compared to the relatively rapidly declining market position of the book, the decline in the library is much milder. And so:

- the number of public libraries and their branches decreased from 8,112 in 2013 to 7,925 in 2018, i.e. by 187, or 2.3%,
- the number of library points decreased from 1,271 in 2013 to 1,083 in 2018, i.e. by 188, or 14.8%,
- the number of readers borrowing books decreased from 6.435 million in 2013 to 5.953 million in 2018, i.e. by 0.482 million, or 7.5%,
- book lending decreased from 119 million volumes in 2013 to 102 million volumes in 2018, i.e. by 17 million, or 14.3%.

The structure of library visitors/readers (in %, by age) also gives food for thought:

- readers up to 24 years old constitute 41%, of which nearly half are the youngest readers up to 12 years of age,
- readers in the age range from 25 to 60 are 44.6%, including nearly 2/3 people in the age range of 25-44 years,
- the oldest library visitors, 60+, make up only 14.4%.

Here is a digression to think about:

1/4 of the population of Poland are people over 60 years of age – which means that it is the weakest “readership” group, with a large amount of free time.

Additionally, research carried out two years ago shows that the customers of *Książnica Polska* (as a target group) come from the following environments (in %):

- school and pre-school youths: from 15% to 30%, on average about 20%,
- students: from 2% to 10%, on average about 6%,
- adults up to 40 years of age: from 30% to 40%, on average 34%,
- adults over 40 to 65: from 25% to 45%, on average around 33%,
- people over 65: from 5% to 15%, on average around 7%,

- all depending on the bookstore, its size, location, reading offer and the activity of booksellers.

And a few more reflections to end with.

We currently live in a world in which the book is beginning to be treated by many as a relic of the past. It is no longer what it used to be. A man is indeed a biological being, but apart from satisfying basic needs – hunger, thirst, health, etc. – he also has many spiritual needs (Witkacy called them metaphysical experiences), various sensations, for example cultural ones. But their level began to drop significantly, which risks breaking the cultural code. In everyday life, the brutalization of language becomes very offensive, as does the increasing lack of care for its form and content, as well as numerous vulgarizations. Let's remember and keep in our minds: the death of the book (which I don't believe will happen) would be a total disaster for our culture and our lives.

PUBLISHING AND THE BOOK MARKET DURING THE PANDEMIC

For over 6 months, we have all been grappling with a situation that has never happened before – the Covid-19 pandemic with its consequences for society and the economy. The economic slowdown, which was already visible in the second half of last year, looked depressing in the first nine months of this year. Economic experts' forecasts are not good. Throughout 2020, GDP is expected to decline by as much as 3.5%. Much depends on whether Poles start working and shopping when the government introduces a full economic liberalization. To this should be added a decrease in the consumer confidence index, which is falling, although symptoms of its rebuilding are visible.

In "Książnica Polska", literally from the first day of the Covid-19 outbreak, we have focused on balancing the company's activities to the extent that we are able to run it, taking as absolutes:

- full safety of work and remuneration for our employees,
- maximum payment security both towards our suppliers and other business partners, as well as all our external fiscal and other obligations arising from our business activities,
- keeping business running normally and not restricting the bookstore network – on the contrary, promoting its development.

It is impossible to escape from thoughts and actions related to it. The absolutes mentioned above should be guarded as much as possible. Of course, it is difficult to judge at present how long this extremely difficult situation will last, how much the book market will be devastated and what courses of action will have to be taken.

In the fourth quarter of last year and in the first 10 weeks of this year, "Książnica Polska" had developed a fairly solid financial cushion that al-

lowed it to survive the most difficult period (March-May) – this is the result of an almost 20% sales increase in these periods.

The return of sales and income to levels comparable to the corresponding periods of the previous year will be very difficult, if only due to the previously introduced requirements of restrictions and social distance – social isolation, which most of us will probably “code” for a long time. There is also increasingly visible social impoverishment (almost 45% of people declare a worsening of their finances), growing unemployment, stagnation and reduction of income/salaries, which will undoubtedly be reflected in the rebuilding of household budgets and perhaps a sudden withdrawal from purchasing goods that are located on the end of the lists of survival items – let them not be books, which are probably at the end of the second ten shopping lists in the shopping hierarchy – worries about the new climate situation, as well as the rapidly growing deficit in the state’s finances, which this year will exceed 100 billion PLN (there is no shortage of opinions stating that it may even be close to 200 billion PLN).

The previously discussed pandemic and the related restrictions and legal measures have caused the economy to fall into turbulence. Companies are recording significant drops in revenues, some of them have been liquidated, and some have ceased or suspended their activities. Most of these cases are due to very limited cash inflows from current sales, which in many companies (including bookstores and publishing houses) fell by as much as 75%, in a business where “cash is king”.

In the bookstore industry, a decrease in the number of bookstores and the volume of commercial transactions is clearly visible (by almost 35% in March this year in our company, and in April this year by as much as over 55%) and the downward trend will continue for many weeks to come, probably for months, although not in such proportions.

However, the growing crisis was a clear stimulus for us, which should be used as a catalyst for the necessary changes in our business, in particular to create new fields of activity for the company and the booksellers working in it. The key to surviving the current crisis and remaining an active participant in the book market are:

1. Maximum strengthening and development of the e-commerce sales channel. In our company, the turnover in this channel has increased by over 10 times in April and over 5 times since May.
2. Wise and effective use of aid packages offered by the government and some local governments. Thanks to its own activity, “Książnica Polska”, with the help of a law firm servicing the enterprise (due to the high inconsistency and chaotic nature of the regulations creating the anti-crisis protections), and – to put it mildly – with the positive attitude of the banks financing us, obtained the available support measures that ensure its financial security.

3. Effective management of commodity stocks and related obligations, and working out with our business partners (mainly suppliers) a model of cooperation that will ensure the parties a safe passage through this exceptional situation. In other words, we want to maintain the company's financial/payment capacity as fully as possible, as mentioned earlier.
4. Uncompromising business restructuring, deep cost reductions, cuts in necessary expenses and liquidation of permanently unprofitable bookstores. In our company, we closed only two bookstores, but in the past nine months the chain has grown by eight more: two in Warsaw, two in Kraśnik, two in Radom, and one in Braniewo and recently in Olecko.
5. Creating a climate of motivated, committed, and creative employees for the staff of the entire company, who will act alongside the management board as promoters and implementers of necessary changes.

In the current conditions, companies that have a relatively stable situation and greater risk tolerance can cope. Demand is likely to recover slowly and gradually. We are aware that this year it will be difficult for us to meet the sales budget undertaken by us – before the advent of the coronavirus – in this year's business plan, with a planned sales increase of about 25%.

In the first quarter of this year, the company saw a slight increase in sales and revenue. The second half of March, in which results "fell" sharply, had an impact on the strong reduction of the pace of growth. In the second quarter there was a 21.5% decrease in sales – this is mainly due to April, when sales and revenues decreased by more than half compared to the same month last year. The closing of our eight bookstores in shopping centres also contributed significantly to this decline.

In the third quarter, there was a strong positive rebound – sales increased by nearly 18%. The fourth quarter, especially December, will bring up the level of sales, which will be at least 13-14% higher. In total, 2020 should also close with a visible increase in sales of 7-8%.

In "Książnica Polska", in the first half of March, the management of the company began to take all necessary measures to ensure the stability of its operations and finances. With the full consent of the team, a decision was made to temporarily (until June) reduce salaries by 20%, with a parallel reduction in working hours. At the same time, the company's management undertook very intensive measures to reduce the operating costs of the bookstores, including mainly a temporary reduction in rents from the lease of the premises. The vast majority of decisions made were to lower the fees. In some cases, rent reductions continue up to 2021. We estimate that the decrease in sales and income will be balanced with the reduction in operating costs, as a result of which the annual financial result will be "positive" (i.e., profitable). We are also very active in maintaining and

developing high increases in sales in the e-commerce channel, which is already beginning to constitute an important – significant in the balance of trade – channel for the creation of sales.

However, looking from a wider perspective, we have the irresistible impression that the Polish book market is bleeding out and the mood is gloomy. The “food” chain throughout the book industry is beginning to break: from the author, publisher, printing house, distributor, wholesaler and bookstore or other end-seller, to the reader – the “consumer” of the book. The pandemic is a time of trial, which reveals the true state of the book business, and probably only through joint efforts, mutual empathy, understanding and reliability, honesty and professionalism, will the industry be able to recover from this deep crisis. Even in the short or long term we will come out of this, as an industry and its constituent segments, gaining new experience – even significantly strengthened.

One of the very important premises is the rebuilding of the book sales network. In Poland, a country with nearly 39 million inhabitants, at least 2,000 professionally operating bookstores should be functioning, so that books are widely available. Meanwhile, as the erosion of the sales network has been progressing for many years, the trend is exactly the opposite: the number of bookstores is decreasing faster and faster. We may also ask ourselves: how many of the currently operating establishments are not bookstores, but stores that sell books, where sales reps work instead of professional booksellers.

Paradoxically, the pandemic may be an opportunity for profound changes in the industry and permanent changes to many of the bad current rules of the game, which have been devastating, destructive, and destabilizing to the Polish book market for many years. Many of these changes and the “recovery” of the industry can be carried out by the people in charge of the publishing and book industry, but many necessary and beneficial changes might be brought about by more active and thoughtful actions on the part of the government, in particular the Ministry of Culture and National Heritage and the Book Institute.

In recent weeks, Deputy Prime Minister Gliński has taken steps to restore the zero VAT rate on books. I wholeheartedly support the Prime Minister, so that his endeavours, and my own, will be successful as soon as possible. This decision will have significant economic and social significance for the book market, because on the one hand it will undoubtedly reduce the prices of books, and on the other, it will be very positively received by millions of Poles buying and reading books, because they will perceive it as a reduction in prices (much as the introduction of VAT years ago was commonly associated with an increase in book prices).

Another very important thing is to return to discussions and actions – as has already been said – about the fixed price of the book, as it is in many

European and non-European countries. The introduction of the decision (legal act) on the fixed price of a book (or more broadly speaking – the Book Act) would first of all eliminate or significantly reduce the discount and price wars that have been going on for many years and the mess in the margin policy of publishers and distributors of books, which, like the proverbial cancer, are effectively destroying the entire market and the circulation of the book in Poland, rendering its destruction more and more visible. Contrary to appearances, these actions can also significantly reduce the prices of books.

Currently, the Polish book is very much in need of measures to support the market, broaden its availability, and raise the level of readership (let us add that it is one of the lowest in Europe). And in this case, the actions and initiatives of Deputy Prime Minister Gliński seem almost indispensable. Local governments at all levels should also be involved in supporting the Polish book (many of them already identify with the importance of the bookstore as an important cultural institution in local communities). They may observe patterns of book and reading support introduced in other countries. And it is not only about reduced rents for bookstores (as in Krakow, for example). One might take the example of Italy, where, for example, the authorities of Florence (approx. 400,000 inhabitants) decided to encourage young citizens of the city to read books and press media. Under the slogan “Be curious”, every inhabitant of the city aged 18 to 25 (about 7,000 people) was offered 50 euros from the municipal treasury to buy books, magazines and newspapers, to be released in local bookstores within 2 months. This is an excellent example of supporting reading, but also local bookstores. In total, the city authorities allocated over 330,000 EUR for this purpose. The campaign was of course very successful. The mayor of the city, Dario Nardella, emphasized that the Internet allows easy access to a lot of information, but it is printed words that help to deepen knowledge and curiosity. It is worth adding that the subsidy granted in Florence supplemented a one-time voucher of 500 euros introduced earlier by the Italian government, which was supposed to support books, Italian bookselling, and reading.

In recent years, in our country, library purchases and school textbooks have been successfully “led out” of bookstores, and at the same time, in a visible way, also children and schoolchildren have been coaxed out of bookstores. Perhaps we must rethink the matter so that textbooks return to bookstores, and introduce support for school students in the form of special educational vouchers issued every year by the government (for example, in the amount of 500 PLN), with which parents and students could purchase textbooks and school aids just in bookstores (and only in them) as well as reading material. The benefits of such a solution would be obvious to all parties (including yourself). A burning issue is the return to

bookstores of public and school libraries. For decades or even hundreds of years, the bookseller and librarian coexisted “in one house”. In the wild rebate wars, library purchases were appropriated by wholesalers and many publishers, “winning” libraries with unfair commercial practices on the book market. Fortunately, many of these companies have already dropped out of the market as a result of running a dirty game. The “removal” of libraries from shopping in bookstores and the “killing” of contacts/cooperation with booksellers caused – as many “old” librarians signal – degeneration in the form of limiting purchases to titles that are high in sales rankings and to those which are offered as new products with “crazy” discounts (sometimes reaching 50%). This can often lead to the impoverishment of the reading offer for library visitors. Meanwhile, the range of products offered in bookstores is usually a few, dozen, or even tens of thousands of titles, from which (with the possibility of putting away, booking, and ordering) a librarian can create a wide, well-thought-out offer for his readers. Contacts with booksellers are all the more important as virtually every professionally run bookstore in the country is able to supply, at the client’s request, any book available on the Polish market.

I also hope that Poland will be very actively involved in the initiatives of the Association of European Publishers (FEP) and the International Association of Booksellers (EIBF) in solutions supporting the book, especially during the coronavirus crisis, by issuing special coupons for European citizens to buy books in local bookstores and coupons for book purchases by public, school, and other libraries – also only from local bookstores. Benefits from the above-mentioned initiatives – if they come into force – will benefit everyone: from the author, to publisher, bookseller and, above all, the reader. It is worth using the experiences of, for example, Belgium, France, or Italy, countries that have already introduced similar solutions – with good results, of course.

BREAKING NEWS

We are now in the second stage of the pandemic. Covid-19 has struck again, and it is probably not the end of these strikes. Companies, including bookstores and publishing companies, which in the third quarter at least partially “recovered” their previous losses, have found themselves in a deep impasse again. October turned out to be dramatic for most: again marked by high declines in sales and income, and for many by a renewed loss of the most important thing – liquidity. Bookstores will therefore be curtailing their activities for the second time, and many bookstores will either suspend their operations or go into liquidation. So the publishing and bookstore market will shrink. What is very painful for retail is a clear decrease in customer attendance, perhaps the most visible in bookstores

located in shopping centres (EMPIK has experienced a decrease by more than a half), but also visible in storefront bookstores (in "Książnica Polska" by 11%).

In "Książnica Polska", October, instead of the expected increases, also brought a relapse, with sales compared to the same month last year falling by 2%, and revenues by 0.2%. It is not much, but it causes fear and tensions.

It is all the more important as the vast majority of companies have limited their operating costs to the fullest extent – there is simply no further they can go. And autumn will bring visible increases: the costs of electricity and the heating of premises are rising. There will be additional costs related to the creation of employee capital plans/PPK, which are financed by employees and state budgets, but also by companies.

Whether we want to or not, we must also invest in the development of digital tools. Companies without innovative solutions and technologies will not survive on the market. And the bookstores in the marketplace are essential. Literature has shaped mankind, books are proof of our humanity.

Bookstores and booksellers – and also, to a large extent, libraries and librarians – infect people with the bug of buying and reading books. It is very important that bookstores continue to expand, respecting and systematically treating their spaces to influence customers.

Books, publishers and booksellers need visible support from the state to carry out their tasks. Recently, "Książnica Polska" proposed to industry organizations working for books and bookselling (the Polish Book Chamber, the Association of Polish Booksellers and the Polish Society of Book Publishers) a joint speech to the Deputy Prime Minister, Piotr Gliński, regarding the national issue of a special Christmas book voucher, for Poles during Christmas, which they could only use in bookstores. It would be a tangible, real, and significant support for readership and the entire book chain, and in particular for publishers and bookstores: increasing production, increasing sales, maintaining the active presence of bookstores on the market, and slowing down the processes of liquidating bookstores.

Also significant and beneficial for the book, as was mentioned earlier, and for which booksellers and most publishers have been striving many, many years, would be the introduction of a fixed price for new publications, stabilizing and coordinating the Polish book market. Many experts have been claiming for years that the potential of the Polish book market is largely untapped. If this market were properly arranged, organized, and freed from the current perversions, its "production and sales" potential could quickly increase by as much as 1.5 billion PLN.