

BOOKSELLING

AbeAzon—Amazon acquires AbeBooks

On August 1, 2008, the online mega-retailer Amazon.com acquired AbeBooks, which bills itself as “the world’s largest online marketplace for books.” It will be a long time before the dust settles on this seismic event, but here are some initial thoughts on the acquisition and its related fallout.

First, how much did it cost? The folks over at TechVibes venture a guess that Amazon paid between \$90 million and \$120 million. Since Boris Wertz, former COO of AbeBooks, is on the board of directors of both TechVibes and AbeBooks, I’m going to believe the number is somewhere in that ballpark.

Second, how do the major players fare? AbeBooks hits a home run. The company has been steadily building its offerings through acquisitions, preparing for a potential buyout. Many saw it coming, but were still surprised when the news broke that the buyer was Amazon.

Also, for many booksellers AbeBooks has been a declining revenue stream while Amazon has been an increasing one. AbeBooks’ model is in many ways mature and the years of stellar growth are behind it. So for AbeBooks to get Amazon to bite is something of a coup. AbeBooks will also benefit greatly from Amazon’s infrastructure and management. It will become a better company.

With the purchase Amazon has surely strengthened its position in the book world. Regardless of how broken or mature its model is, AbeBooks is still the leader in the field. And if you add AbeBooks’ eyeballs to Amazon’s eyeballs you get one giant cyclops. No competitor is in the same league. If AbeBooks were a public company, the SEC would probably be taking a look at the acquisition.

For booksellers, the increased exposure of used, rare and out-of-print books on Amazon will be a benefit in the long run. One of the long-standing stumbling blocks for the used-book market is simply the lack of exposure to and understanding of it. Having Amazon join the fray could be huge in overcoming this hurdle among the general public. In the meantime, however, this is a painful event. If booksellers felt they were being held hostage by AbeBooks before, news of the Amazon/

AbeBooks marriage is a form of torture.

Last, how does the acquisition affect the other major players in the marketplace? Let’s look at them in turn.

Alibris, without some major adjustments to its business model, might be in a bit of trouble. CEO Brian Elliott recently shared a bit of the company’s current strategy with me, and it became apparent that they are in the midst of some revisions to remain competitive in the new landscape. Much of their new strategy is focused on the traditional used and antiquarian bookseller. They have already initiated a new fee structure that caps their commission at \$60, including the credit card processing fee. This is a clear indication that they are courting the antiquarian bookseller who has been left high and dry in the current marketplace.

Much of the growth in the online bookselling world has been at the expense of the traditional booksellers who were the backbone of these companies in their early years. The move by Alibris is an attempt to rectify the issue. Alibris has also launched an initiative that allows sellers to build their own storefronts on Alibris. It’s also working on a new feature to provide pricing history for individual books to sellers, which can, if done right, become a tremendous resource for the bookseller. So, Alibris is trying. Whether what it’s doing will be enough to convert the hordes of traditional booksellers that have essentially given up on the current online bookselling models remains to be seen.

Over at Biblio, the potential to use the Amazon/AbeBooks consolidation to promote itself as a real alternative to the mass-market bookselling approach should be pursued. Of all the online marketplaces, Biblio has done the most to weed out dubious and unscrupulous booksellers. Its overall positioning strategy has, however, been more of an organic one, and Biblio simply has not been able, up to this point, to garner the traffic to make a significant difference.

Finally, the acquisition makes Amazon a player in the book social network. The hidden gem in its acquisition of AbeBooks is the inclusion of a 40 percent minority interest in LibraryThing, a social cataloguing site for storing and sharing personal library catalogues and book lists. Since the AbeBooks acquisition Amazon has also acquired Shelfari, another major social cataloguing site. How these two

rivals will coexist under the Amazon umbrella remains to be seen. LibraryThing still retains its autonomy, but with Amazon's hand now in the book social network pot, things are sure to change quickly.

If there is one constant here it is that the world of online bookselling remains in a state of flux. The sector is still growing at a healthy pace, with online sales of non-new books now over US\$1 billion per year. Tremendous opportunities still exist, and sooner or later someone will successfully tap into the underserved antiquarian market and provide a viable destination for booksellers and book lovers.

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MODERN FIRSTS

On the margins

Enthusiastic annotator Samuel T. Coleridge coined the word "marginalia," defined by *Wikipedia* as "the general term for notes, scribbles, and editorial comments made in the margin of a book." The study of marginalia is now a growing area of interest in the study of the history of the book. William Sherman's recently published *Used Books: Marking Readers in Renaissance England* estimates that 20 percent of early printed books in research libraries are annotated. Clearly a reader's annotation made hundreds of years ago can provide added insight into a work and its time and easily engages the reader and the scholar.

The response of the reader to marginalia in a contemporary volume is much less likely to be positive. With the exception of notes made by the well-known identified reader, recent annotations are likely to be viewed by book dealers and collectors as defacement and by readers as a distraction. However, others champion such interventions as a form of transgressive discourse worthy of examination. These opposing views are described by H.J. Jackson in *Marginalia: Readers Writing in Books* as "A is for Annotator and B for Bibliophile (A thinks B might as well stand for Bore, and B that A is Anarchist)."

As a librarian and bibliophile at heart whose immediate response is to denounce marginalia, I find myself increasingly intrigued by the role it plays in how books are read. In large part this new interest was prompted by a public art project at the Vancouver Public Library by Kyla Mallett, which led to a gallery show at Artspeak in late 2006. Mallett's show *Marginalia* comprised photographic images of annotations in VPL books. In the accompanying exhibition catalogue *An Art of the Weak: Marginalia, Writers and Readers*, critic Denise Oleksijczuk succinctly describes the motivations of unsanctioned annotators (to use her phrase): "Some are spontaneous exclamations that make it possible to recover the mental processes of readers, others are mediated interventions by those who wish to communicate their ideas about the text to a later reader." Mallett's photographs clearly illustrate these differing motivations and provoke multiple responses in the reader/viewer. The image reproduced on the cover (a half-page image used in the VPL banner triptych—the images in the Artspeak exhibition showed the full page of text) takes on a totally different meaning when one learns that the world-weary "?! Whatever" margin note appears in a book on teen suicide.

In a recent communiqué, *Amphora's* esteemed editor described his initial irritation on discovering that a used copy of Orwell's *Down and Out in Paris and London* he had started reading had been annotated by a previous reader (in pink!). The irritation soon shifted to interest as he noted the sections the earlier reader found worthy of note. This led to the intriguing idea of building a collection of copies of the same title each annotated by a different reader. "Imagine," he wrote, "looking for annotated copies in Third World countries; or comparing notations of copies from different generations;... or the triple crown—copies with multiple annotators." A great if daunting idea which turns a book condition weakness into a strength and thereby establishes collecting parameters that by definition should be affordable. I will resist the temptation to try this out but recommend it to an energetic *Amphora* reader/collector. If anyone takes this on, or by chance has already been collecting with this focus, let us know how it's going.

I'll conclude by noting that my favourite marginalia are those made by authors