

First POD machines turn up in Canadian bookstores

But the industry remains skeptical

DEVIN CRAWLEY

It's called the InstaBook machine: a printing plant shrunk to the size of a cash desk that can produce a 200-page paperback in about five minutes. A distributor in Hamilton, Ontario, hopes it will usher in a new era in bookselling, allowing customers to buy out-of-print and hard-to-find titles that are printed while they wait.

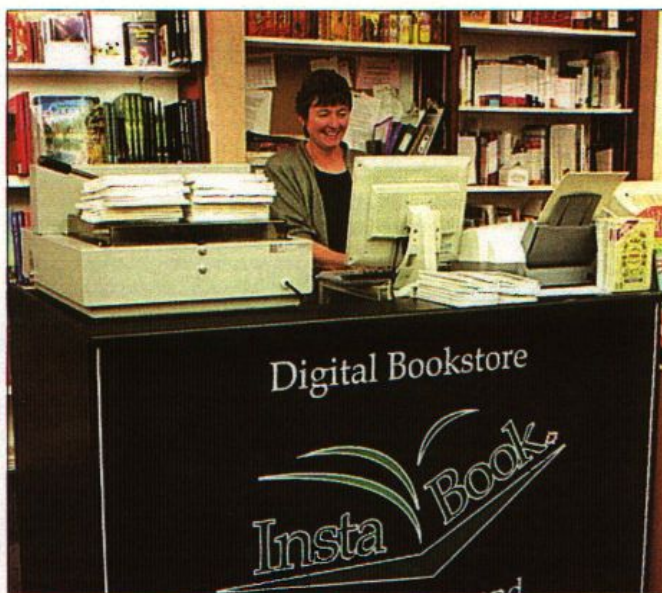
But as InstaBook Canada begins approaching publishers and booksellers with plans to establish a national network of the machines, skepticism in the trade suggests that a workable ATM for books is still a distant prospect.

That doesn't deter company president Dave Di Marcantonio, who recently demonstrated the machine at InstaBook's office. A computer, colour and black-and-white laser printers, miniature collator, perfect binder, and electric trimmer worked together to produce a durable, though plain, copy of Jack London's *Call of the Wild* while a reporter watched. The present system, which costs \$35,000 (U.S.), is not entirely hands-off – the machine's operator must transfer the unbound pages to the binder and run the trimmer manually.

No-cost trial begun

Di Marcantonio plans to test the machine in three Ontario bookstores by early spring. At press time one store, Book Express in Cambridge, Ontario, had agreed to a no-cost trial to begin in mid-November. He also hopes to obtain print-on-demand rights from Canadian publishers to their out-of-print backlist and midlist titles, which would be stored in InstaBook's proprietary, encrypted database and downloaded for one-off printing in stores. Di Marcantonio says his target is to hold rights to several hundred thousand titles and to lease the machines to bookstores across Canada within five years.

So far, InstaBook's database contains about 600 copyright-free titles that will be sold for between \$10 and \$20 each. Booksellers, he says, will earn commissions of about 30%, while publishers and authors who license titles will split 15% of the retail price. Di Marcantonio estimates that



Anne Laird, co-owner of Book Express in Cambridge, Ontario, calls up a title to be printed.

booksellers turn a profit on a machine by selling about 10 InstaBook titles a day. But he won't formalize his business plan until he sees how the machines are received in the pilot tests – a process that could take anywhere from four months to a year. "It's going to take some time to learn the dynamics of the marketplace," he says, adding that he'll hire a single sales representative to help contact bookstores and publishers during the tests.

How realistic are InstaBook's plans? Industry types who attended a promotional seminar in October gave high marks to the machine itself, but question the company's knowledge of the book trade. "Their appreciation of what would be feasible in the book trade market, especially in Canada, was a bit of a stretch," says Jim Hart, a former Chapters bookseller who attended out of his own curiosity, not on behalf of the chain. Penny Dickens, executive director of

The Writers' Union of Canada, who also attended the seminar, says the idea of bringing out-of-print titles back into circulation has potential. But attracting enough current content from publishers to draw customers to the machine will be difficult, she notes.

In the U.S., two companies have already been stymied in their attempts to install print-on-demand machines in stores. The On Demand Machine Company, which, like InstaBook, unveiled its book machine at BookExpo America in 1999, announced it would test the machine at Denver's Tattered Cover bookstore in early 2000. The test never took place, however, and a company spokesperson would only say that the device is still in the testing stage. Another start-up company, Sprout, also announced in 1999 that it had licensed the same technology to install in Borders stores. But that plan fizzled, and Sprout has disappeared from view.

Still, the InstaBook system does have selling points. Any title in its database could be sold in a large-print format: "an incredible bonus" given an aging population, says Stuart McVittie, co-owner of Westdale Book-Worm in Hamilton, Ontario, who attended the company's seminar. And Book Express owner John Cheyn was sufficiently impressed with the production quality to agree to a trial. "The quality of the product itself, the binding and so on, is first-rate."

New income for writers?

InstaBook's plan to concentrate on out-of-print titles could also mean a new source of income for some authors. Di Marcantonio says he'd like to work with The Writers'

Union of Canada to solicit print-on-demand rights directly from authors who have had rights to out-of-print works revert to them. Dickens says the idea "may be viable," but she's remaining cautious. "We'll discuss it in committee ... and see what InstaBook is offering authors."

At least one author is cool to the idea of acting as his own publisher, however. "I'm in the business of writing books," says Robert J. Sawyer, nine of whose 12 science fiction novels are currently in print with U.S. publishers. Echoing a concern common to high-tech publishing discussions, Sawyer notes that print-on-demand (POD) rights raise the issue of determining when those rights revert to the author, if a title is potentially never out of print. Sawyer's publisher, Tor Books, demands POD and e-book rights, but his contracts specify that rights revert if a threshold of several hundred dollars in consecutive royalty payments is not met.

Convincing booksellers to act as printers may also be tough. Charles Burchell, president of The Book Room in Halifax, says he'd be hard-pressed to sell 10 out-of-print InstaBook editions a day, even if the database contained hundreds of thousands of titles. "At this stage, I don't think I could do enough volume to offset the cost," he says. Michael Neill, owner of Mosaic Books in Kelowna, B.C., says that with four staff working roughly 10,000 square feet of retail space on busy days, he doubts he could spare the staff to run a book-making machine. "To me it sounds labour-intensive."

InstaBook may also be a tough sell to publishers; so far, Di Marcantonio says, he's had serious interest from only one firm, the B.C.-based subsidy press Trafford Publishing. Some publishers still associate POD with inferior production values. And CDG Books president Tom Best doesn't think publishers would want to license POD versions of books currently in print. That would mean "duplicating services and cutting into inventory that we hope to sell," he says.

Not everyone is so bearish. "We're interested in as many vehicles as we can get for our content.... I would expect to be talking [to InstaBook]," says Raincoast Books publisher Kevin Williams. Still, many observers agree with Dickens that even if the company can attract industry support, sparking consumer interest will be a major hurdle.

For his part, Di Marcantonio says he's undeterred. "We're definitely in this for the long term," he says. But for now, InstaBook faces the same chicken-and-egg dilemma that has hampered the growth of e-books: most publishers won't move to make titles available until a market presents itself. To Best, print-on-demand kiosks are "probably something that will happen in my lifetime. But I don't know that we're there yet." ■

InstaBook quick facts

- System includes a computer and modem, colour and black-and-white laser printers, collator, binder, and trimmer that produces paperback books in a 5.5-by-8.5-inch format.
- Cost: \$35,000 (U.S.).
- Lease terms: to be announced.
- Commissions: 30% of retail to booksellers; 15% to be split between publishers and authors
- The machine operates on a standard wall outlet, handles bindings up to two inches thick, and will download a 200-page book

in about a minute using a 56-k modem.

- It is also available in a large format that will produce books with an 8.5-by-11-inch trim size.
- Victor Celorio, the machine's Mexican-born inventor, says he's sold half a dozen InstaBook machines to publishers in the U.S.
- Marcia Buckingham, acquisitions editor of Florida-based Denlinger's Publishers, says the company has produced thousands of books on its InstaBook machine since acquiring one in 1999.

DEVIN CRAWLEY