

# So you're not selling used books, why not?

By Chris Hagen of Powell's in Portland, OR

One evening, while talking with a friend who works in the trade, we worked out bookselling as a percentage of GDP for the United States. The result was less than .01%. That's hardly surprising, but still it behooves us to remember that we are being supported by a slim slice—a *very* slim slice—of the national economic pie. More worrisome yet: of that group of consumers 25%, roughly \$5-6 billion in purchasing power, goes to Barnes and Noble alone.

If you are an independent bookseller trying to compete based on sales of new books alone you have, in my opinion, set a course that will inevitably lead you into some very rough seas thanks to the chains. So how do you find an edge?

One way is to buy back the books that your customers have read and give them the choice of taking cash or, better for you, my friend, taking a credit toward future purchases. Sound simple? In a lot of ways it is. After all you are a small business owner, you know your inventory, you know what sells from your store, and you know what your customers demand. Why not give Molly a couple of bucks for a book she's read and enjoyed, and sell it to Bill at a really attractive price, while turning a higher profit than you would by selling a new copy?. I'll guarantee you that Molly will show more gratitude than any major publisher for your purchase of her used book, and Bill, once he knows that he can get a better deal on his next read by coming to you, will be browsing the stacks more frequently. All in all, it's a nice positive sum relationship for all, not to mention a great way for you to strengthen your customer base. Another part of that "servicing the community of readers" thing we like to do.

What's the big secret? Here it is in a nutshell:

1. Inform your customers that you are buying used books.
2. Buy only what you know and can move in a reasonable amount of time. Leave the other stuff to someone else. If you have a specialty, run with it. In other words buy back what sells in your shop.
3. Pay a reasonable percentage of what you can sell the book for and don't pay out a greater percentage of your sales in cash than you can comfortably afford. Offer more in credit than you pay in cash.
4. Build over time. As you get more comfortable with used books work for broader inventory.
5. Unless you like working on a very slim margin and have an encyclopedic memory refer the rare books to antiquarian/rare book dealer(s) in your area.
6. No you don't have to give up new books, sell them both!
7. If you have questions call, I'm your used book pro after all.

I get three kinds of calls from independent booksellers. The first two I love and they usually run along the lines of "I'm thinking of selling used books can I ask you some questions" or "I'm thinking of retiring to Hawaii, would you be interested in buying my inventory?"

Then there is the call I never like to get which is "I've had the chains open in town & my business has dropped off to nothing." That one always breaks my heart because, for one thing, I hate to see independents go under. Then there is the fact the chains are an engine for creating used books that you and I can buy, if we seize the opportunity.

OK, so maybe we don't all retire to Hawaii, but I do like the idea that 30 years from now we might reminisce about the business over Mai Tais on Maui.

*Chris Hagen manages used books at Powell's in Portland, OR. Reach him at 503-228-0540 or [chris.hagen@powells.com](mailto:chris.hagen@powells.com).*