

2. PUBLISHING INDUSTRY

A network of organizations that interact regularly in the selection, production, and distribution of printed material. Particularly prominent are the newspaper (see *NEWSPAPER: HISTORY*), *MAGAZINE*, and *BOOK* publishing industries. Another important publishing sector in many countries is the direct mail industry (see *DIRECT RESPONSE MARKETING*). Also significant has been the development of *ELECTRONIC PUBLISHING*, in some ways an industry unto itself but with strong connections to the others.

The roots of publishing as an industrial activity predate even *JOHANNES GUTENBERG*'s invention of the *PRINTING* press. Still, publishing remained almost a handicraft activity until about the nineteenth century; that is, one organization was often the publisher, printer, and seller of the reading matter, and that organization often comprised only a few people. Only in nineteenth-century Western society did the book publisher become distinct from the printer and the distributor. Moreover, each of these roles involved in getting material from the writer to a growing number of readers began to require the efforts of large and complex organizations. See section 1, above.

Structure

The structure of an industry typically refers to the pattern of interdependent behaviors—the roles—that characterize organizations making up the industry (see *ORGANIZATIONAL COMMUNICATION*). For example, a particular book publishing industry's structure might be found in the activities that printing firms, publishing firms, law firms, authors' guilds, wholesalers, retailers, libraries (see *LIBRARY*), and other entities carry out with one another.

The influences on the organizations that make up a publishing industry inevitably relate to the provision of resources to those organizations. People, sup-

plies, permissions, information, services, money—these are the material and symbolic resources that organizations involved in publishing must continually obtain from their environment (the other organizations in the industry and the society at large) if they are to survive. But the need for scarce resources faces all industries in any society. Decisions must be made about the amount and nature of resources that ought to go to publishing as opposed to other sectors. The activities of the people who constitute the organizations must be directed toward ensuring that they have the resources they need to carry out their work. That involves trying to adapt to the demands of their environment as well as trying to shape the demands of the environment to fit their needs.

A broad spectrum of resource-related considerations influences the structure of a publishing industry and, along with it, the amount and nature of published materials available in a society. One obvious prerequisite for a publishing industry is authors whose work can be selected for publication (see AUTHORSHIP) and a READING public that can support them (see LITERACY). Another is a set of spoken and unspoken values within the society about the benefits and drawbacks of certain approaches to the public dissemination of knowledge. A third is paper and the machines on which the selected material can be prepared, produced, and reproduced. A fourth prerequisite is the presence of distribution networks that can allow the producers to disseminate material efficiently to appropriate markets.

Illiteracy as a barrier to publishing is relatively unimportant in the developed world though still very much a concern in developing countries (see Figure 1). But illiteracy is usually only part of a wide complex of difficulties that publishers meet in Africa, Australasia (Oceania), and much of Asia and Latin America. The result is a startling disparity between the publishing output of the world's nations (see Table 1). The situation of the book industry in Africa is indicative. Potential book publishers on that continent typically confront strong oral traditions (see ORAL CULTURE) that militate against literacy and the desire to read, hundreds of different languages and dialects that have no written counterparts (see AFRICA, PRECOLONIAL), scarcity of skilled book-industry personnel, and a shortage of well-equipped modern printing establishments. They also find that elite African writers and readers have become dependent on the European languages for EDUCATION, commerce, administration, and intellectual communication. These elites tend to import most of their books and even turn to large transnational book publishers when they want to write books. See AFRICA, TWENTIETH CENTURY; DEVELOPMENT COMMUNICATION.

The amount and extent of indigenous publishing

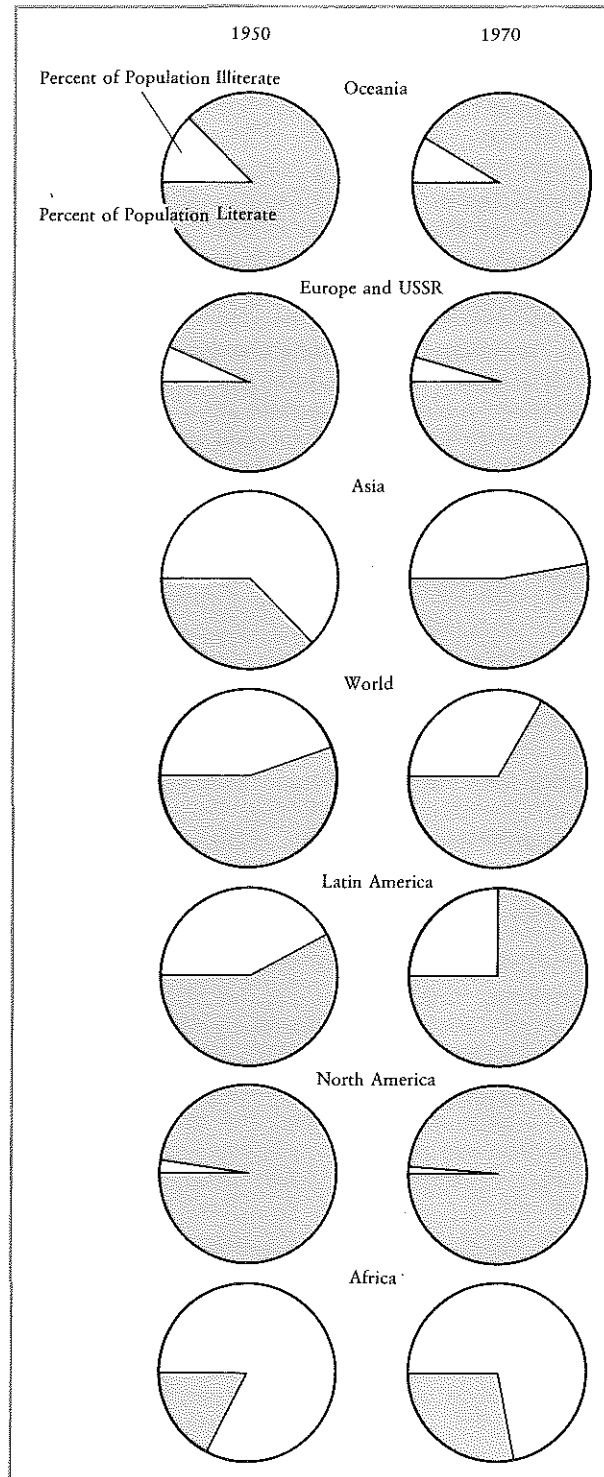


Figure 1. (*Publishing—Publishing Industry*) Changes in world illiteracy, 1950–1970. Redrawn after United Nations, *World Statistics in Brief*, 1978.

Table 1. Publishing around the World

<i>Percentage Distribution of Population</i>				
	1955	1965	1975	1982
Africa	10.8	12.2	13.1	10.9
North America	8.8	8.4	7.7	5.5
Latin America	9.0	9.8	10.6	8.3
Asia	41.1	42.2	44.2	58.3
Europe (incl. USSR)	29.5	26.7	23.7	16.5
Oceania	0.7	0.7	0.7	0.5
<i>Percentage Distribution of Book Production</i>				
	1955	1965	1975	1982
Africa	1.1	1.6	1.9	1.8
North America	5.2	13.6	16.2	15.3
Latin America	4.1	4.5	5.1	5.9
Asia	20.1	14.3	15.3	20.4
Europe (incl. USSR)	69.1	64.7	60.0	55.1
Oceania	0.4	1.2	1.6	1.5
<i>Number and Circulation of Daily Newspapers (1982)</i>				
	Number	Circulation (in millions)	Circulation (per 1,000 inhab.)	
Africa	160	9	18	
North America	1,830	68	269	
Latin America	1,200	33	86	
Asia	2,500	164	61	
Europe (incl. USSR)	2,420	235	311	
Oceania	110	6	264	
<i>Production and Consumption of Newsprint (1982, in metric tons)</i>				
	Production	Consumption		
Africa	0.3	0.3		
North America	12.7	11.3		
Latin America	0.5	1.7		
Asia	4.3	5.4		
Europe (incl. USSR)	7.2	7.4		
Oceania	0.7	0.8		
<i>Production and Consumption of Other Printing and Writing Paper (1982, in metric tons)</i>				
	Production	Consumption		
Africa	0.3	0.6		
North America	15.4	15.3		
Latin America	1.8	1.9		
Asia	8.2	8.4		
Europe (incl. USSR)	16.1	14.6		
Oceania	0.3	0.3		

Source: Adapted from *Statistical Yearbook*, 1984 (Paris, UNESCO). For caveats and fullest interpretation of data, see source.

that takes place in developing countries with such problems can be modified somewhat by several factors: government policies on state educational publishing, the development of local library services and purchasing power, and government policies toward capitalist, state-run, and foreign publishing. When the state decides to enter book publishing, it nearly always assumes a MONOPOLY on primary textbooks (see TEXTBOOK), often for ideological reasons. When state publishing is not emphasized, schoolbook production often goes to transnational textbook companies. During the past several years government ministries of education in large developing countries have forced those companies to make their books conform to specific national guidelines. Still, the strong hold by the transnationals on textbooks and technical volumes has meant that indigenous firms have had to mine other domains—for example, popular and light local FICTION, advice books, and study guides.

Governments control key resources: permission to publish, protection from foreign competition, tax benefits that might improve cash flow, employment laws affecting the availability of personnel, and laws encouraging or discouraging monopolies or other trade restraints. Government laws that grant permission to publish can be said to operate on three levels: structural, technical, and content. See GOVERNMENT REGULATION.

The structural level involves rulings that dictate actual organizational processes and relationships in a publishing industry. An example was the 1945 decision by the U.S. Supreme Court striking down an Associated Press bylaw that permitted the wire service to grant exclusive service to a newspaper for a particular area. At a technical level rulings relate to standards of a mechanical, electronic, or otherwise scientific nature that organizations in a publishing industry must uphold. Postal edicts relating to weight, size, and construction represent technical regulations that affect the operations of book, newspaper, and magazine publishers as well as mail-order advertisers (see POSTAL SERVICE). The third level of regulation, the content level, involves specific messages and message policies. These may range from direct prohibitions on certain kinds of ideas to broader rulings on subjects such as COPYRIGHT, obscenity, PORNOGRAPHY, and deceptive ADVERTISING. Government regulations in these areas often spark societal controversies. See CENSORSHIP.

Government policies are among the factors that encourage or discourage certain niches in publishing. The concept of a niche refers to a distinct combination of resources that organizational leaders find capable of supporting their organization in specific goals and activities. So, for example, in Western capitalist countries some publishers find that they

can make money turning out religious books; others turn a profit creating elementary and high school textbooks; others do it by emphasizing reference books. Each area is a different niche. Generally, when one publishing firm perceives a niche, attempts to exploit it, and thrives, other firms enter to compete in the niche until no additional organizations find entry profitable.

A publisher may exploit only one niche or may try to mine other market segments as well. In the United States and Europe the years since World War II have seen the growth of huge media conglomerates such as Bertelsmann (based in the Federal Republic of Germany), Rizzoli (based in Italy), Pearson and Thomson (based in England), and Gulf and Western, Time Inc., and CBS (based in the United States). These companies are involved in a wide variety of print and nonprint media.

Some critics charge that their activities have had an unhealthy influence on publishing. In the book industry, for example, the contention is that conglomerate takeovers of the major trade firms have led to unrealistically high profit expectations and, as a result, to the concentration by these firms on the most popular authors to the detriment of talented but lesser-known writers. Further, the critics contend that these activities are leading to a lack of diversity in mainstream publishing and to a subordination of print to other media. Publishing companies are said to judge book material as part of a larger project involving lucrative subsidiary rights—a theatrical film, a television movie, a magazine or newspaper series, a videocassette, and the like. Other observers argue that book publishing is highly diversified despite the growth of conglomerates and cross-media projects.

The specific way in which a publishing organization approaches its niche depends on three major factors: the firm's tradition, its executives' conceptions of their audience, and the needs of the major patron organizations with which they interact. Patron organizations make purchases of published materials before those products reach the public. As such, they provide publishing firms with the cash flow that is most directly responsible for their survival. In the case of U.S. newspapers and magazines, the major patrons are advertisers; they purchase space in the hope that readers will buy their products. In the book industry patrons vary widely depending on the kind of book. The trade book segment's patrons are general bookstores that purchase the publishers' titles with the aim of retailing them profitably. Elementary-school text companies, on the other hand, may look to school boards as their patrons, and college text companies may look to universities and UNIVERSITY bookstores.

Selection activities. The relationship between publisher and patron often greatly influences the material

to be selected. Evidence suggests that it helps set the boundaries on the kinds of people who are the targets of the material, the frequency at which the publisher releases the material to the public, and the amount it costs to produce and release the material. In book publishing, for example, a trade publisher's interactions with bookstores will likely influence the number of titles it puts out each season (the length of its list) as well as the kinds of titles it puts out (the nature of its list). In the magazine, newspaper, and direct mail industries, as in other advertiser-driven industries, the producer-patron dealings have given rise to a market research industry (*see* CONSUMER RESEARCH) that feeds both parties data with which to negotiate their relationship.

Once the executives of a publishing organization have a conception of the mandates in their niche, they must search for material with which to find success in that area. Different kinds of publishing operations search in different ways depending on the executives' understanding of their marketplace. Book companies and many magazines typically contract with writers on a free-lance basis, often by using literary agents as efficient intermediaries. That allows the publishers the freedom to hire the best people of the moment without long-term commitment and payroll. Newspapers, on the other hand, tend to hire reporters on an extended basis, largely because the daily mandate to "cover the news" requires the presence of a predictable group of creators at all times.

Production activities. Editors guide writers and select manuscripts based on a conception of the published work and the technological process that will create it. Decisions about the look of the published product are guided by competitive considerations, aesthetic considerations, and costs. The process of preparing the product necessarily goes hand in hand with the selection process. For example, a children's book editor involved in producing a book jointly with a publishing firm in another country (an activity called international copublishing) might caution the illustrator that the drawings must be appropriate to both the U.S. version and its French translation. Similarly, a magazine editor, knowing how much space is left in an issue, might caution a free-lance writer not to exceed five hundred words in a proposed article.

Even if a manuscript is solicited, it may be rejected. And even if it is accepted, it will go through a gauntlet of editorial work before being printed. Innovations by major companies in linking word processing, storing, retrieving, and printing capabilities of computers to publishing situations have resulted in increasingly closer ties between the editorial and printing phases of the publishing process. In magazine and newspaper companies computer-run production systems have substantially increased the

efficiency of editorial departments. Editors can call up and reshape articles at a moment's notice. They and their writers can also work closer to printing and distribution deadlines than ever before. And they can experiment with changes in the graphic designs of their periodicals much more easily than in the past. See COMPUTER: IMPACT—IMPACT ON THE WORK FORCE; GRAPHIC REPRODUCTION.

Distribution activities. A major publisher is primarily distinguished from a minor one by distribution clout—the ability to support the dissemination of a large number of printed copies to a large number of outlets quickly and efficiently. The specifics of distribution clout vary by industry and with the niche that a company has chosen within the industry. In the direct marketing industry, distribution concerns revolve mainly around postal and TELEPHONE rates. In the local daily newspaper industry, in which the newspaper firms themselves typically handle circulation, the mandate is to produce tens of thousands—even hundreds of thousands—of copies for efficient delivery to points throughout the target area. Doing that in a city on a daily basis requires a printing-to-delivery system that is hugely expensive. It makes starting a newspaper to compete with existing ones very difficult, if not prohibitive.

Several distribution approaches characterize different segments of the book and magazine industries. When it comes to getting books to stores and libraries, book publishers sell to the outlets directly at a discount and/or they work through large wholesalers, often called jobbers. Mass-market publishing has grown remarkably in the United States and Europe since World War II, largely on the strength of broad-based wholesaling. The approach is to format books in such a way that they can be carried not only in trade outlets but also in places that used to sell only magazines: newsstands, drugstores, discount chain stores, and supermarkets. The low price of these mass-market (mostly paperback) books has not been related primarily to the softcover, pocket-sized format that has characterized them, but rather to the huge numbers of copies printed for each title—numbers that were thought justified because of the wide access to outlets of the magazine jobbers that distribute them.

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PUBLISHING, ELECTRONIC. See ELECTRONIC PUBLISHING.