

“BOOK PUBLISHING IN TURKEY: PROBLEMS AND PROSPECTS IN THE
CONTEXT OF INDUSTRIALIZATION”

A THESIS SUBMITTED TO
THE GRADUATE SCHOOL OF SOCIAL SCIENCES
OF
THE MIDDLE EAST TECHNICAL UNIVERSITY

BY

CEMİL BOYRAZ

IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR
THE DEGREE OF MASTER OF SCIENCE
IN
THE MEDIA AND CULTURAL STUDIES

APRIL 2006
METU

Approval of the Graduate School of Social Sciences

Prof. Dr. Sencer Ayata
Director

I certify that this thesis satisfies all the requirements as a thesis for the degree of
Master of Arts

Prof. Dr. Raşit Kaya
Head of Department

This is to certify that we have read this thesis and that in our opinion it is fully
adequate, in scope and quality, as a thesis for the degree of Master of Arts.

Dr. Barış Çakmur
Supervisor

Examining Committee Members

Prof. Dr. Raşit Kaya (METU-MCS)

Dr. Barış Çakmur (METU-MCS)

Dr. Gülseren Adaklı (AU-FC)

I hereby declare that all information in this document has been obtained and presented in accordance with academic rules and ethical conduct. I also declare that, as required by these rules and conduct, I have fully cited and referenced all material and results that are not original to this work.

Name, Last name: Cemil BOYRAZ

Signature :

ABSTRACT

BOOK PUBLISHING IN TURKEY: PROBLEMS AND PROSPECTS IN THE CONTEXT OF INDUSTRIALIZATION

Boyraz, Cemil

M.S., Media and Cultural Studies Graduate Program

Supervisor: Dr. Barış Çakmur

April 2006, 121 pages

This thesis explores the Turkish book publishing industry within the framework of historical development of book publishing since Ottoman practice onwards and current structure of the Turkish book market. The aim of the thesis is to understand recent trends, developments, and problems in the Turkish book market, within its specific historical conditions and in a comparative method to the current structure of book publishing industry in developed countries where book publishing is a global business and highly integrated to other sectors of cultural commodity production. The hypothesis is that although there have been profound changes in the Turkish book publishing sector on the way towards industrialization during recent decade, especially after 2000s; book publishing in Turkey remained an “infant industry” and Turkish book publishing market is still unsaturated as a result of serious problems continuing in different cycles of circulating capital in the Turkish book market and in preconditions of profit-maximization and capital accumulation processes ; impediments on the creation of a large mass of readers and new genres; lack of an industrial organization of book production and business, and belated developments in regulative-legal framework in copyright regime.

Keywords: Culture industries, book publishing industry, history of Turkish book publishing, Turkish book market structure, organization of book production, copyright system

ÖZ

TÜRKİYE’DE KİTAP YAYINCILIĞI: ENDÜSTRİLEŞME BAĞLAMINDA SORUNLAR VE OLASILIKLAR

Boyraz, Cemil

Yüksek Lisans, Medya ve Kültürel Çalışmalar Yüksek Lisans Programı

Tez Yöneticisi: Dr. Barış Çakmur

Nisan 2006, 121 sayfa

Bu tez, Türk kitap yayıncılığı endüstrisini Osmanlı pratiklerinden günümüze tarihsel gelişimi içerisinde ve Türk kitap piyasasının mevcut yapısı çerçevesinde incelemektedir. Bu tezde Türk kitap piyasasında son dönemki gelişmelerin, problemlerin, eğilimlerin; tarihsel özgün koşulları içinde ve gelişmiş ülkelerde kültürel meta üretiminin diğer sektörleriyle giderek eklemlenen ve küresel bir faaliyet alanı olan kitap yayıncılığı endüstrileri ile karşılaştırmalı bir perspektifte kavranması amaçlanmaktadır. Tezde öne sürülen temel argüman, son dönemlerde, 1990’larla birlikte ve özellikle 2000’lerde, giderek gelişmiş kitap yayıncılığı endüstrilerinde görülen dinamikler ve trendler içerisinde yer alan Türk kitap yayıncılığı sektöründe endüstrileşme yolunda köklü yenilikler gerçekleşmesine rağmen; genel hatlarıyla aşağıdaki sebeplerden ötürü Türkiye’de kitap yayıncılığı endüstrisi henüz emekleme döneminde ve Türk kitap yayıncılığı halen doymamış bir pazardır. Türk kitap piyasasında dolaşan sermayenin farklı döngülerinde, kar maksimizasyonun ve sermaye birikiminin önkoşullarında görülen problemler; geniş bir okuyucu kitlesi ve yeni türler oluşmasına ket vuran faktörler; endüstriyel bir üretim ve iş örgütlenmesinin eksikliği ya da oturmamış olması; ve son olarak da telif rejimini düzenleyici-hukuki çerçevede gecikmiş gelişmeler.

Anahtar Kelimeler: Kültür endüstrileri, kitap yayıncılığı endüstrisi, Türk kitap yayıncılığı tarihi, Türk kitap piyasasının yapısı, kitap üretiminin örgütlenmesi, telif sistemi

to my parents

ACKNOWLEDGMENTS

I would like to express my sincere gratitude to my advisor, Dr. Barış Çakmur, for his patient and thorough guidance throughout the thesis process. Furthermore, I am indebted to Prof. Dr. Raşit Kaya for his suggestions, which were essential in the forming of the structure of the thesis. I also thank to Dr. Gülseren Adaklı for her propositions, suggestions, and participation in the jury. I owe to thanks to all of the people at the Media and Cultural Studies for having provided the relaxed atmosphere filled with the inspiration to undertake academic studies.

I want to express sincere appropriation to all interviewees for their inexplicable helpfulness to enable the fulfilling of the essential research of this work. I am particularly grateful to my dearest friends, Ali Rıza Güngen, Burak Özçetin, Zafer Yılmaz, Mehmet Celil Çelebi, Halit Şafak Erten, Eray Sarıot, Yavuz Tüylüoğlu, for their invaluable support and sincere encouragement, during the thesis process.

To Aysun, my fiancée, I cannot find any words to offer sincere thanks not only for her palpable patience against my highly fluctuating mood, but also for her unshakable faith in me, so that the thesis would have seen the light of day. Lastly, to my sisters, Fatma, Selma, and Zeliha, I should express my endless gratitude for their unconditional support and caring in my most troubling moments.

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CHAPTER 1

INTRODUCTION

Books are still the source of many important ideas and act as an important channel of information and entertainment although new technologies and products in non-printed formats and digital world challenge the traditional importance of book publishing in global scale. As the book publishing industry moves further into digital delivery as well as digital production, the lines between “book publishing” and other media are beginning to blur. On the other side, print-based book publishing is still the most important way in which publications are delivered.

In fact, the book publishing industry was historically the first of the cultural industries to appear and today, books are fully integrated within the spectrum of cultural industries. In today’s culture industries¹, while the other sectors of culture industries such as film, music, TV, periodicals publishing may be more influential, powerful, and profitable; book industry is still the prestigious keystone of the mass communication industry, primarily for the “content” it generated. This is so not only for its prestigious character, but also because of the fact that as a content resource for many cultural products and for many promotional activities in all fields of cultural commodity production, book publishing industry today plays a more central role for the profit maximization, capital accumulation and corporate or “integrated media” strategies of major players activating in culture industries. Book publishing industry is today a global business for the multinational media corporations, or “global media conglomerates” who try to control on what is supplied and demanded in the cultural commodity markets and exploit the “synergy” created by many outlets in multiple media.

¹ Frankfurt School theorists such as Adorno and Horkheimer used the term the term "culture industry" to signify the process of the industrialization of mass-produced culture and the commercial imperatives driving the system.

As the case in all sectors of culture industries, companies in the media industry always seek to ensure continued profits, therefore, try to control environment in which they operate by reducing “demand uncertainty” (Ewen: 1977), and “minimizing expensive competition”. As a result, they can ensure lower costs, higher profits and employ strategies to overcome structural constraints mentioned above. Today, this is also the case for the book publishing industry. As a general statement, dynamics of industrialization for any sector of cultural commodity production depend on the level of investments and strategies sought by companies to overcome such constraints, which can be possible through the application of a higher science and technology in production, a higher level of production and consumption, a more developed division of labor between organizations and workers, and the creation of large markets where huge supply and demand meet. In this respect, highly developed market structure, huge capital invested in different sectors, and industrial organization of book production seen in developed book publishing industries should be evaluated within this general and introductory framework.

In this present study, book publishing in Turkey is analyzed within this general framework, as a sector of Turkish media embedded in general tendencies and trends seen in developed book publishing industries. With its unsaturated market structure but favorable conditions for the growth, new trends, and developments seen in various fields from increasing level of capital investments and competition, organization of book production, and legal framework regulating the activities of book publishing companies, the Turkish book publishing industry has undergone fairly profound changes during the last decade. On the other side, book publishing in Turkey still suffers from serious problems inherited from the past and continuing till today. In this respect, this study represents this twofold character of book publishing industry in Turkey, through analyzing the dynamics of industrialization and impediments on the way towards industrialization on the basis of its historical development and its respective current organizational structure.

In line with these considerations, the study is organized in two parts and four chapters including an introduction and conclusion. The first part is comprised of two sections. In the first section of Chapter 2, a short history of book publishing industry in the West is represented in addition to the current structure and dynamics-trends seen in the developed book publishing industries, mostly originated in EU and US countries. This analysis is crucial to understand current trends in developed book industries in the West and strategies or tactics employed by major global actors in this field of culture industries. It is also important to compare the market structure and organization of book production in developed book industries with the Turkish case. Actually, such purpose will be sought throughout the other sections of the study. In the second section of Chapter 2, development of book publishing in Turkey is briefly analyzed from Ottoman practices onwards. This section is devoted to reveal and analyze historical seeds of many problems and impediments seen in today structure of Turkish book publishing industry. Furthermore, since history of book publishing still remains one of the neglected fields of study in the literature, the author of this thesis believes the importance of such an attempt, even a modest one.

After this brief analysis of the historical conditions of the development of book publishing industry in the West and in Turkey, in the second part of the study, in Chapter 3, current structure of Turkish book publishing sector is analyzed within the framework of recent developments and continuing problems on the way towards industrialization. This chapter is organized through three sections: the market structure, capital structure, organization of book production and business. Throughout these sections, current structure of the Turkish book publishing market is analyzed in an informative and descriptive method. In addition to a general overview of Turkish book publishing market; the panorama of publications and publishing companies according to their capital structure and scale is presented; and the organization of book production process is analyzed together with other cycles of capital in value chain and actors taking part in these processes. Within this framework, accelerating dynamics of industrialization and continuing problems in respective sections are presented ; recent trends and tendencies—as well as new methods and strategies employed by the publishing companies to overcome demand uncertainty, to maximize profit and capital accumulation processes through different

cycles of capital within the conditions of competition—seen in the Turkish book market are analyzed.

The study of current structure of the Turkish book market through various statistics, figures, and tables is based on three sources: the data compiled by the author from the records of The Directory of Copyrights and unpublished data by The Directory of Libraries and Publications of The Ministry of Culture and Tourism; in-depth interviews with various figures in the Turkish book publishing sector; and finally, a review of media articles—which are witnessed especially after 2000s as a result of increasing destructive affect of piracy phenomenon in the Turkish book market since 1990s and new amendments in the copyright law—to put recent discussions into the analysis in an argumentative way.

It should be noted that there are serious problems experienced by the author of the thesis during the study. These problems can be summarized as such: i.) there is scanty data about the activities of publishing companies; ii.) poor or outdated statistics about the market structure; iii.) insufficient data flow and cooperation—between regulative state institutions, TPA, publishing companies, distributors, bookstores—about book sales of companies, total volume and growth dynamics of the Turkish book market; iv.) lack of systematic research that has been carried out by the Ministry of Culture and Turkish Publishers Association; v.) lack of regulative mechanisms to control the sale records and the continuing secrecy as a norm for the Turkish book publishing industry, which is witnessed by the author during interviews. In these respects, the importance of the study lies in compiling and analyzing available but dispersed sources and non-published data on the Turkish book publishing sector, which still remains one of the neglected fields of study in the literature.

Within the light of these considerations, in sum, this thesis aims to analyze the Turkish book publishing industry through representing historical conditions of development and current structure of the Turkish book market. It attempts to find answers to questions based on such parameters: historical conditions of the development of the Turkish book publishing and constrains of such a development; opportunities and impediments on the growth of the Turkish book market; conditions and constrains on the way towards industrialization of Turkish book publishing sector, and results of industrialization dynamics within the general structure of the book market.

CHAPTER 2

THE HISTORICAL DEVELOPMENT OF BOOK PUBLISHING IN THE WEST AND TURKEY

During centuries, book publishing has developed significantly in the West and Turkey. As a matter of fact, there have been profound changes in all aspects of the book production and consumption, as well as in the book publishing business and trade. In this context, it can be said that book publishing has been increasingly organized within the framework of an industrial activity during 19th and 20th centuries. It should be also noted that such development is not unique and exhibits substantial specificities in different countries along its historical progress. In this chapter, the historical development of book publishing in the West and in Turkey from Ottoman practices onwards is analyzed for the purpose of a better understanding the current structure of book publishing industry in the West and Turkey. The chapter is comprised of two main parts: in the first part, the historical development of book publishing in the West will be briefly analyzed; in the second part, the development of book publishing in Turkey accompanied with the historical legacy of book publishing in Ottoman and Republican period to the current structure will be examined respectively.

2.1. A Short History of Book Publishing Industry: A Long Established Tradition of Book Publishing and Trade in the West

As mentioned above, in this part, historical stages of development of book publishing industry in the West are briefly analyzed. From the mid-16th through the 18th century, there were virtually no technical changes in the methods of book production, but the organization of the trade moved gradually toward its modern form. Because of the fact that book business to the manufacturers (printers) who created the books physically, to the businessmen (the booksellers and publishers) who sold them has always been risky in nature (Febvre & Martin: 1990); serious developments were

witnessed in the organization of book trade, from establishment of distribution channels, to more effective marketing and financing mechanisms parallel to the development of capitalist relations². By the way, the development of book trade enforced technological revolution in the late 18th century and early 19th centuries and significant developments were seen through the production technique of books and the development of papermaking industry. Development of book trade was facilitated in 19th century, especially. Historically, the real proliferation of the commercial publishing houses, many of which still exist today under the umbrella of larger organizations, took place in the 19th century. Obviously, these developments were associated with the increase in population and the proportional advance in urban population and development of literacy (Chartier: 1998, Hobsbawm: 1996)³. This was complimented with the demand for books by the increasing masses of readers and emergence of large publishing houses by the late 18th century in Modern Europe (i.e. major centers are Leipzig, Munich, Vienna, Milan, Zurich, Paris, London and Edinburgh) and in the United States (Boston, Philadelphia and especially New York City) leading long tradition of publishing. In sum, the totality of cultural, demographic, technological developments accompanied with the new business models and commercial methods led the major transformations culminating into an advanced industrialized and specialized mass production by the 20th century.

Specialization, which had been developed to a certain degree between 15th and 18th centuries, has grown within publishing houses through creation of different genres and niches in the book publishing throughout the 20th century. Publishing houses during this period specialized in various fields of book publishing such as religious books, art books, technical books, and children's books, textbook department, juvenile division, or reference department, university press. Editorial departments became distinct from production, and both were completely separated from the sales

² See also Labarre (1993), Manguel (2002).

³ The mid-18th century is, called as “reading revolution” (Chartier:1998) and “emergence of reading public” in Germany, England and France, accompanied with the increase in the number of books published, the success of small formats, lowering prices of books as a result of reproduction of imitated versions of texts and increases in the number of book-clubs and circulating libraries. See also Febvre&Martin: 1990.

or marketing departments. Publishers also specialized in the means by which their books were distributed. Trade books- fiction and nonfiction books- were sold to readers primarily through bookstores, whereas textbooks were directed towards school boards and faculties and through the book clubs.

In addition to developments from 18th to the early 20th centuries, book publishing industry was at the crossroads of fundamental developments due to the affects of Great Depression and World War II. In this period, publishers in the West went into a division as paperback and hardback versions of books. During the 1930s and 1940s, the paperbound, pocket-size books gained popularity in the European countries, especially in England, France, and Belgium (Labarre: 1993). Before World War II, only a few U.S. publishers had even limited interest in export markets. As a matter of fact, key actors in world book production and trade have been Germany and English for a long period. With the advent of World War II, things changed radically. Neither British nor German publishers could maintain their strong positions in international markets. Consequently, most of the world demand for books shifted to the United States. During the war and following years, most of the larger U.S. publishers opened branch offices abroad. They were located, usually, for sales promotion and distribution services on a regional pattern (Benjamin: 1984). U.S. publishers created a mass consumption market for books through paperback and pocket editions in 1950s⁴. Furthermore, new distribution networks and marketing models, which served as a basis of the development of book publishing industry in the West, started to be established as well as price and credit system, allocating and regulative mechanisms in book trade.

On the other hand, internationalization dynamics of book trade accelerated with the rise of multinational corporations activating in culture industries (mostly originated from U.S. and European capital) after 1950s⁵ and book publishing has increasingly

⁴ See Barker&Escarpit in Gürcan; 1999:149

⁵ The post-1945 period both witnessed acceleration in the numbers and rate of growth of transnational corporations (TNCs) associated with both intensified competition and new forms of cooperation among them (Parker in Comor; 1994: 41). Mosco states that these multinational enterprises integrated vertically by securing control over production, distribution, and exhibition; horizontally across a range of media products, including hardware and software; and globally by taking advantage of an

become as an integral sector of culture industries during 1960s and 1970s. One important dimension of this process was the internationalization of copyright regime through Universal Copyright Convention (1952) and 1971 Paris Revisions based on the early legal texts of Berne Convention (1896) bringing access rights for the developing countries through license agreements. As a result of this development, it could be possible for major players in world book business to reach new markets and exploit further profits through copyright revenues⁶.

Another, and the most important dimension of this process, has been the accelerating investments of U.S. originated large publishing companies in different national markets. Then, in the 1960s and the 1970s, came the rapid development of what was truly "multinational" publishing by the larger U.S. houses. Many of their foreign branch offices were turned into subsidiary corporations- some wholly owned, others partly owned, depending usually on the law of the country of domicile. Some of these "offshore" corporations became important, even dominant, publishers for the local area while continuing to serve as sales outlets for their parent companies. In addition to indigenous titles, their lists included translated or adapted English-language editions; and in some instances, they also produced paperback reprints of their parent-company's textbooks and professional books. The multinational pattern of overseas expansion led, inevitably, to acquisitions of foreign companies, many of

international division of labor, that makes possible the flexible and cost-effective use of labor, capital, research, and development (Mosco: 1996: 179)

⁶ Bettig argues the importance of copyright system as such: "Copyright, in particular, reflected the existence of newly developed print technology that allowed the "fixing" of literary works in a tangible medium-books-that could be sold in the marketplace. As governments decided what printing privileges to grant to whom, the "literary 'Common' became subject to 'enclosure movements'. Intellectual property laws facilitated the private appropriation of intellectual creativity, which is always based upon socially constructed knowledge and the culture, in the same way that property laws in general served as the basis for the commodification of tangible property, the common land in particular. At the same time, copyright and patent laws, most often enacted and enforced by the state, legitimized the concentration of ownership of inventions, art, and literature in the hands of the expanding capitalist class. In the literary domain, copyright first appears primarily as an economic privilege for publishers in the form of monopolies over individual titles or classes of works" (Bettig; 1996:17). For a genius study on history of early copyrights and international copyright system, see Bettig (1996). For the commodification of literary activity and author's labor, see Williams (1993), Towse (2002). For the history of copyrights, see also Patterson (1968). For the central role of copyright system for those major global giants and its critics, see also Smiers (1999), Kretschmer (2000), Aronson (2003), Perelman (2003), Martin (1998), Hettinger (1989).

which continued to operate under their own imprints as parts of what were, organizationally, international conglomerates (Benjamin:1984).

By the way, while publishing traditionally had been an industry comprised of numerous, small and family-owned companies up to 1960s; the structure of book business went through some important changes after the 1960s and 1970s, like other segments of culture industries such as movie and recording. It is witnessed that many independent labels were merged or were overtaken by major companies, which were often owned by large media conglomerates⁷. Distribution patterns have changed in order to control book distribution through various levels; and book marketing developed through sales by various superstores and supermarkets. The small and middle-sized companies were resource dependent upon those conglomerates, especially for the investment capital and technology, and access to distribution channels, which are controlled by vertically integrated major media companies.

Consolidation of the book market and concentration tendencies in the book publishing industry accelerated after 1980s, as well. While earlier media conglomeration had seen efforts to build companies that controlled production and distribution within a single medium, by the 1980s, a new stage was set for the new conglomerates that owned production, manufacture, and distribution including marketing across the range of different media industries (Hoynes& Croteau: 2001:62). Book publishing industry is a big business and very important for these media conglomerates due to the “content” it generated for the other sectors of culture industries. Therefore, during 1980s and 1990s, profit-maximization strategies and tactics were employed through reaching large masses of readers through publishing titles for diverse and specialized interests, creation of new genres and marketing of new niches which necessitates investing huge capital for advertising, controlling content production and distribution channels as well as what is supplied and sold.

⁷ Greco analyzes this structural change in the book publishing industry originated from large U.S. book publishing companies. It is reported that between 1960 and 1989, there were a 573 mergers and acquisitions in the U.S. book publishing industry. See Greco, 1997, pp. 45–55, for a further analysis of these mergers and acquisitions in the U.S. book industry.

Moreover, major international book publishers reinforced monopolist tendencies by excluding small companies from competition, manipulating technological developments to strengthen their position and to guarantee profit maximization in a horizontally and vertical integrated corporations. In U.S. and major book industries in Europe (U.K., Germany, Spain, France, and Italy), independent bookstores, web bookstores, major retailers (book retailers and discount retailers) and wholesale distributors of the countries were increasingly purchased by multinational media companies operating at the global book business (Greco: 1999, Schiffrin: 2000)⁸. It should be also noted that main focus of media conglomerates in book publishing shifted to more profitable activities such as copyright ownership (foreign exports of copyrights, license agreements, and cross-promotion synergies⁹), distribution, retail sales, and advertisement¹⁰. Key core areas in book publishing are controlled by those major groups in book publishing business. These areas are namely product development, editorial strategy, content creation, brand identity & management and marketing.

On the other hand, in the late 20th century, new technologies utilized in production, distribution and marketing bring new opportunities for the publishers¹¹ and led way to the increasing number of small firms entering into the book market. Introduction of new formats such as e-books, audio books, sound books, digital books and increasing e-sales and commerce via Internet, changed the nature of book

⁸ For further information on global media players as the largest publishers in book industry— such as Bertelsmann, Viacom, News Corporation, Time Warner, Disney--, see also, Mattelart, A. and Sieglau, S. (eds.) (1979, 1983); Bagdikian, B. (1983); Herman, E. S., and Chomsky, N. (1988); Garnham, N. (1990); Mosco, V. (1996); Mowlana, H. (1997); Herman, E.S. & McChesney, R.W. (1997); Golding, P. and Murdock, G. (eds.) (1997); McChesney, R.W., Meiksins Wood, E. & Bellamy Foster, J. (eds.) (1998); Albarran (2002).

⁹ For an example on the importance of copyright regime for the cross-promotion synergies, as seen in the case of Titanic, see Croetau&Hoynes; 2001:110-112.

¹⁰ For the central role of advertising in culture industries, see Jhally (1987).

¹¹ Book publishing industry experienced technological transformations through computerized typesetting, offset printing and printing on demand technologies. Such changes have also brought the elimination of many tasks and computer-controlled production methods. This would mean the enhancement of existing processes— in the form of reduced costs, improved service levels, reduced production times, and reduced time from order to destination in book publishing as well as the opportunity to create new products and services, to target new customer segments.

publishing¹². However, digital technology and Internet advantages in production, distribution, and marketing of books were mostly acquired by majors and the field of business activity for small publishers (also small bookshops) has been increasingly contracting¹³.

In almost all developed book publishing industries, it can be said that a remarkable amount of titles still comes from small-self publishers but this is not the case for the sales. As an increasing trend for the entire book publishing industry, small firms find it hard to get their products into the sales channels. The increasing power of major retailers and consolidation between them to limit the range of titles stocked and mandate increasing discounts from small publishers threatens small-scaled and independent publishers and reduce the diversity of books available to readers. The largest bookstore chains, retail outlets, wholesale distributors, online sale companies of major national markets are actually owned by these media giants, too.

In sum, as seen above, from early small manufacturers to industrialization, then commercialization and saturation of book markets in developed countries, finally the crisis leading to the need of search for new markets, as a result, internationalization of book publishing industry and concentration through increasing investments and control of multinational media companies, the history and current structure of book publishing industry in the West exhibits several differences than the Turkish case that will be analyzed in the following part. For the sake of simplicity, two tables are given below: Table 1 is to comprehend the general characteristics of book publishing industry in the West, with recent trends, models, and strategies; and Table 2 is to understand the position of major publishers activating in book publishing industries.

¹² As far as readers are concerned, digital revolutions brings many opportunities for publishers to store, print, and distribute texts on digital environment and on Internet. It is witnessed that, by the new millennium, thousands of books are being digitized, to be read on line, downloaded, printed out by the reader, or printed on demand by the publisher. Furthermore, starting from 2000s, as reading devices have become more compact and sophisticated, several of the largest U.S. publishing houses opened separate on-line publishing ventures while smaller electronic publishing start-ups became more common. Meanwhile, some books also became available in component parts (chapters, maps, tables, and even paragraphs) that, for a price, could be customized into new entities created by their readers and, like other electronic books, be either downloaded from the Internet or printed on demand by the publisher, bound, and shipped to the customer. Digital technologies also bring facilities to the retailers and warehouses. See Davis and Stack (2003), "Digital Advantage", <http://media.ankara.edu.tr/~erdogan/digitalAdvantage.html>. On the other side, easy access to and copying of electronically published material brought with it additional copyright issues.

¹³ See Greco (1997), Schiffrin (2000).

Table.1. A General Panorama of Book Publishing Industry in Developed Countries

General Characteristics of the Book Publishing Industry in the West	Trends-Tendencies	Strategies / Goals of Major Global Actors
• Book publishing industry as an integral branch of culture industries • Leading book publishing industries: U.S. and European countries (Germany, UK, Spain, France, Italy) • Industrialization of Book Production: the application of science and high technology in production, a high level of production and consumption, the specialized division of labor between organizations and workers, and the existence of developed markets where supply and demand meet • Huge amounts of capital investments from other sectors of economy • High levels of annual turnover of book publishers • High levels of profitability; High volume of the market and sales • The book publishing market consists of retail spending by consumers on consumer books; spending by schools, government agencies, and students on elementary, high school, and college textbooks, including graduate textbooks; and retail spending on professional books. Spending in each category includes both print and electronic formats. • Huge amount of actors in value chain; book publishing is still able to attract new enterprises and good quality personnel • Book publishers are in many instances financially strong, highly experienced and well-managed companies which could survive a period of adverse trading conditions	• Growth of majors: Synergy creation • Accelerating Internationalization of book publishing (oversea sales) • Concentration of ownership and sales through vertical-horizontal integration by a handful of major global actors • Majors maximize profits through licensing and distribution agreements • New enclosure through copyright protection system • New commercial formats: digitalization: print-on-demand technologies, e-books, sound books, digital books(tablet books), special reading devices, on-line books, Search Inside the Book (Amazon, Google) • Book sales in decline in U.S. and thus, publishers raise the prices • "In the U.S., projected spending on books will grow at a 3.4 percent compound annual rate during the 2005-09 period, increasing from \$34.2 billion in 2004 to \$40.5 billion in 2009"(IIPA/PWC) • Increasing investments to control on main distribution and bookselling channels • Digital Advantages	• Corporatization of book publishing through Integrated Media strategy of global book publishers: Acquisitions, mergers, joint-ventures, strategic alliances: Scale and size advantages • Key areas as Core of control: Product development, Editorial Strategies, Content creation and brand identity & management • Profit-maximization, minimizing competition and reducing risks-instability • Demand manipulation: overcoming demand uncertainty and creation of new genres, products, larger mass of readers • Cross-Promotion and Cross-Development of product as a key strategy • Branding, Segmentation, Diversification • Advanced technologies in production (customized), distribution, promotion and marketing: reduction of costs • "In U.S., Sales of e-books will total \$2.2 billion in 2009 from \$182 million in 2004. By 2009, e-books will constitute 8.2 percent of the total book publishing market in Asia/Pacific." (IIPA/PWC) • Huge promotion costs for superstar-author creation and bestsellers to get competition advantage • High levels of e-sales of unused and used books on Internet: New enclosure of • online bookstores via Internet

Table 1. Continued

• Huge amounts of content production (millions of manuscripts in a year¹⁴); due to the flow of available content for publications is very strong and diverse; there are well-developed processes for acquiring, managing, and utilizing content • Diverse fields of book publishing as a special industry; Hardcover and Mass Paperback editions); huge profits from the sales of hardcover editions for the immediate and special needs and interests of the professionals. • Regulated by special laws and mechanisms (strictly controlled sales and activities of publishing companies, competition laws); rules or principles regulating the book business (fixed price management to avoid price wars, consignment sales, payment system) • The distribution chain from author to consumer is well-developed, established and robust • State subsidies and other financing mechanisms; the role of book publishing is recognized as important to education and culture, and accorded financial benefits by governments; the use of books is developed through a well-established public library system		• Service sales to small and middle-scaled publishers, especially in distribution and marketing • Cost-savings offered by outsourcing to overseas companies for prepress and printing
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¹⁴ See Hoynes and Croteau; 2000: 147.

Table 2. Major Media Giants in Book Publishing Industry In The West

Major Groups	Book Units and Brands	Notes and Further Statistics
Bertelsmann 1835, Germany Total employee: 75.000 Total revenues: 17 billion Euro in 2004 (in 63 countries) 1977: buys Goldmann Verlag, largest German paperback publisher	Random House Publishing (1927), which includes: Alfred A. Knopf, Ballantine, Fodor's, Modern Library and Bantam Dell Publishing Group, Broadway, Crown Publishing Group, Doubleday, Pantheon, Random House UK, Transworld, Sudamericana, C. Bertelsmann, Karl Blessing Verlag, Goldmann, Siedler Verlag, Wolf Jobst Siedler Verlag, Hoynek, Plaza & Janes (50%), Grijalbo Mondadori (50%), Luman, Debate Book Clubs: Book of the Month Club (50% Bert. and 50% AOL-Time Warner), Doubleday, Bookspan (50%), in Canada (Quebec Loisirs) in U.K.(R.H., BCA), In Portugal (Circulo de Leitores), in Spain(Circulo de Lectores), in France (France Loisirs), In Poland (Swiat Kirazki), in South America (Sudamericana), others in New Zealand, Australia, presence in Japan and Korea	Random House is based in New York City. It was founded in 1927 by Bennett Cerf and Donald Klopfer, two years after they had acquired the Modern Library imprint. Bertelsmann acquired it in 1998 9,000 new titles each year by R.H. The leading book publisher in the U.S. and Germany; 2nd in Spanish-speaking countries; 10% of sales in Europe; more than 100 imprints in 16 countries Book Clubs: 12,116 employees, 35 million members, 160 million of books sold each year, \$ 2,2 billion revenue in 2004
CBS Corporation (New Viacom)¹⁵	Simon & Schuster: Pocket Books, Scribner, The Free Press, Fireside, Touchstone, Washington Square Press, Archway, Minstrel, Pocket Pulse, Arabesque Books, Nickelodeon Viacom in 1998 sold many of these publishing operations to the Pearson Group of England.	Simon & Schuster, Inc. is a publishing house founded in New York in 1924 by Richard L. Simon and M. Lincoln ("Max") Schuster, notable for its publication of crossword puzzle books. Publishes over 2,000 titles annually under 38 trade, mass market, children's, and new media imprints. Book publishing shares 14% of the total revenues.

¹⁵Sources: <http://www.freepress.net/content/ownership>, <http://www.mediachannel.org/ownership/granville.shtml>). To revive its growth in a digital world, Viacom is confounding many of its media rivals by splitting into two: Viacom Inc. and CBS Corporation. Viacom's publishing firm, Simon & Schuster has remained in CBS Corp. (*The Economist*, June 16th 2005)

Table 2. Continued

Lagardere	Hachette: Originally, Hachette was a bookshop and publishing company set up by Louis Hachette in 1826. As of 2004, Hachette forms part of the Lagardère Media group, and is diversifying. Hachette now cover three companies: Hachette Livre : publishing, Hachette Filipacchi Médias : magazines, Hachette Distribution Services : distribution Time-Life Books: A marriage between TWBG, the fifth-largest publisher in the United States, and Hachette Livre, the book-publishing branch of Lagardère, would create the largest publishing outfit in three countries: the U.K., Australia, and New Zealand. It would give the company a 16.2 percent share of the U.K. book market, <i>The Bookseller</i> reported, surpassing Random House with a 14 percent market share	The TWBG sale came after pressure from a group led by Carl Icahn, major shareholders in Time Warner, who have been “looking for a sale or spin-off of all of TW’s publishing operations, including its magazine unit,” as reported in February 7, 2006 “Lagardère SCA and Time Warner Inc. (NYSE:TWX) today announced that Lagardère will acquire Time Warner Book Group, the fifth largest U.S. book publisher for US \$537.5 million. Through this transaction, Lagardère’s Book Publishing branch will become #3 worldwide”¹⁶
News Corporation	Harper Collins Publishers (formerly Harper & Row), Regan Books, Hearst Book, Amistad, Quill, Perennial, Group Zondervan (world's largest commercial Bible imprint-publisher)	Activities in U.S. , U.K. and Australian publications Book Publishing revenues share 12% of total revenues
Vivendi Universal	Havas: 60 publishing houses, selling 80 million books annually	The leading publisher in France of literature, medical and reference books and CD s

2.2. The Historical Development of Book Publishing in Turkey

After the analysis of the development of book publishing industry in the West with its specific conditions, in this section, a brief evaluation of the history of book publishing in Turkey is presented. For a better understanding of the development of book publishing industry in Turkey, a historical analysis is necessary by touching upon the stages of such development and problems associated with each period or stage. For this purpose, this section is comprised of two main parts: in the first part, Ottoman book publishing practice and legacy is shortly analyzed and then, in the

¹⁶ <http://www.timewarner.com/corp/newsroom/pr/0,20812,1156759,00.html>

second part, the stages of development of book publishing are discussed as well to grasp the current panorama of book publishing in Turkey.

2.2.1. The Ottoman Period

Many scholars argue that the conditions for a basis of development of book publishing market in Ottoman Empire did not exist from its beginning¹⁷. Furthermore, it should be noted that the early model of development for the book publishing in the West, as discussed above, can not be adapted to the book publishing practice in Ottoman social and economic formation. It is possible to classify in three major headings: economic, political, and social-cultural factors.

Firstly, economic aspects affecting the development of book publishing in Ottoman period should be mentioned. While the industrial development of book publishing in the West goes back to the 18th and 19th centuries, general economic conditions of Ottoman period adversely affected the dynamics of such a development. Peripherization process of Ottoman economy during 18th and 19th centuries (Pamuk: 1998), and lately entrance of capitalist relations impeded on the commercialization and industrialization of book publishing. As a result of bankruptcy of Ottoman budget and increasing dependency relations, capital invested for the following of technological developments in printing and publishing remained limited (Kabacalı: 2000). Furthermore, problems in importation of machines, main raw materials—such as printing and typesetting machines, and paper—and absence of modern techniques in book production have adversely affected the development of book publishing in Ottoman Empire for a long period.

Historically, the first attempts to open printing houses were witnessed in the end of 15th century by Greek merchants, and then by Armenian and Jewish merchants in 16th and 17th centuries. Furthermore, these foreign merchants also gained an advantageous status because they were exempted from taxation system (customs and

¹⁷ See Kabacalı (1984, 1989, 2000), İskit (1939, 2000), Gerçek (1939), Baysal (1968, 1992).

transportation) after the proclamation of 1842 and 1846 decrees¹⁸. This regime of capitulation brought many advantages for the foreign merchants (Greek, Jewish, and Armenian) in the book trade while dislocating the Ottoman merchants. These merchants also led the business of importing raw materials such as printing equipments, machines, and paper. It was impossible for their Ottoman counterparts to import substantial raw materials in printing and publishing. Book publishing business was mostly led by printers owned by foreign merchants¹⁹ and second-hand booksellers (the so-called “sahaflar”) because privately owned publishing companies did not exist in this period.

Besides the problems in the organization of book trade and business, book production process continued to be problematic during 18th and 19th centuries. Due to the lack of necessary capital invested for the technological developments and other printing-publishing materials-equipments, artisan-type organization of book production has continued for a long period. Furthermore, poor condition of printing machines imported from Europe and absence of a papermaking industry were serious obstacles on the book production process, in both quantitative and qualitative aspects. Inflating prices of paper and other imported raw materials due to increasing budget deficit and fragile structure of Ottoman economy hampered the development of book publishing in the Ottoman Empire.

To recap, it can be safely suggested that the general economic conditions, such as peripherization process of Ottoman economy, dependency situation in the subsistence of raw materials in book manufacturing, fragility of economic structure, dominancy of commercial capital, absence of a papermaking industry, have adversely affected the development of book publishing to a certain extent, during 18th and 19th centuries.

Secondly, the development of book publishing industry during this period can not simply be explained within the framework of general economic conditions, because

¹⁸ See, İskit:2000; p.35

¹⁹ For a list of printing houses owned by foreign merchants or ethnic minorities (Greeks, Jews and Armenians), see Kabacı: 2000.

of the fact that political-ideological aspects played a key role, too. From the early establishment of printing and publishing houses, strict and centralized political control over printing and publishing activities was a serious obstacle on the development of book publishing practice in the Ottoman Empire. In this sense, it should be firstly noted that opening a printing house has been a monopoly right (called as “*berat*” or “*nişan*”) granted by the political body for a long period. An important amount of publications was led by the state owned printing house, which functioned as a public enterprise²⁰. Following the establishment of earlier printing houses—such as *İbrahim Mütefferika Matbaası* (1726) and *Mühendishane Matbaası*(1802)— *Takvimhane-i Amire* (later became *Matbaa-i Amire*, official printing house of the state) was established in 1831. Private book publishing for the second-hand booksellers could become possible in this printing house by 1840s (Kabacalı: 2000).

Another dimension that should be mentioned related with strict political control was the extensive censorship mechanisms on the activity of printing-publishing houses. The Ministry of Foreign Affairs and The Ministry of Internal Affairs, and *Matbuat Umum Müdürlüğü*, which is later under the execution of The Ministry of Education, strictly controlled the activities of printers and publishers, both foreign and domestic. Furthermore, during 18th and 19th centuries, printing and publishing facilities have stopped in certain periods. For example, between the years of 1729 and 1794, *Mütefferika Matbaası* deactivated for 48 years and could continue publishing books for only 18 years²¹.

The last dimension related with the political aspects is the regulations introduced during 19th and early 20th centuries. Through *Matbaalar Nizamnamesi* and *Hakkı Telif Nizamnamesi* in 1857 and later *Matbaalar Kanunu* (1909) and *Hakkı Telif*

²⁰ See Kabacalı: 2000; p.54.

²¹ Between 1729 and 1741, 17 books were published and after Mütefferika’s death it was a standstill, only 45 books could be published until the end of 18th century (Kaynardağ; 1999: 2824). See İskit (2000), Gerçek (2000) and Baysal (1968) for the total number of books published during 18th and 19th centuries.

Kanunu (1910)²², both the activities of printing and publishing houses, and author-publisher relations were strictly controlled and regulated by the political body.

The third and final aspect is related with the socio-cultural formation of the Ottoman Empire. As stated in the previous section of this chapter, a “reading public” similar in 18th and 19th century Europe did not emerge in Ottoman socio-cultural formation. For a long period, book remained as a valuable and expensive object that only wealthy elites or noble-privileged classes could access, and book reading activity mostly as an elite activity limited within certain intellectual circles. In accordance with the general modernization reform movement during 19th and early 20th centuries, mainly educational and scientific books were translated and published for the needs of newly established high schools (*Mühendis, Harbiye, and Tıbbiye*). However, these books could mostly be purchased by political and military elites (Kabacalı: 1989) because of the high prices of published books due to the costly production of them in difficult conditions. Therefore, it can be said that a mass book market and large mass of readers like in the West during 19th and early 20th centuries did not emerge in Ottoman socio-cultural formation.

The set of these aspects or factors obviously does not mean that there was no progress on the development of book publishing industry in Ottoman period. Printing presses had reached the Empire several hundred years after being invented by Gutenberg and mostly due to religious reasons; they were not used to print books in Turkish until 1729. After this date, the Turkish publishing sector began to develop very slowly and during the two centuries between 1729 and 1928 managed to print only about thirty thousand books²³. Especially throughout the ends of 19th century, there was a remarkable development in the number of printed-based publications. It

²² *Hakkı Telif Kanunu*, which was executed until 1952, was important in the sense of bringing extensive definitions of authors’ rights, durations, and sentences in the case of violations of those rights. See, İskit; 2000: pp.95-98. However, while regulations for the operations of printing houses facilitated censorship mechanisms, laws regulating author- publisher relations were not put into practice in a proper way. See, Kabacalı (1984, 2000) and Suluk (2004).

²³ Meral Alpay gives a periodical documentation of the published titles between 1729 and 1928 as such: 1729–1829: 180, 1830–1875: 2,894, 1876–1892: 3,277, 1893–1907: 4,250, 1908–1917: 6,827, 1918–1928: 6,376 No date: 3,603 and totally 28,407. See Alpay: 1976: 47–48. For Kaynardağ (1995), the number of total publications between 1729 and 1923 is 20550 (annually 106) and 17650 of that total were published between the years of 1875-1923

can be said that the development of printing press, both newspapers and magazines-journals, reinforced the development of book publishing. Actually, first books in diverse genres (mostly novels, stories, poetries) were the copyrighted works (so-called, “*telif eserler*”) of authors which had been published in newspapers and magazines²⁴. It should be noted that the number of printing houses that activate in book publishing business, publishing houses have increased in the early 20th century²⁵. Furthermore, the number of bookstores for various interests began to increase during this period²⁶. The number of bookshops had already reached to 128 by 1908 in Istanbul and this number increased in the following periods (İskit, 2000, p.82).

On the other side, the general warfare and economic conditions during the early 20th century can not be underestimated for a more coherent analysis. As a matter of fact, Balkan, the First World and National Struggle wars successively turned this line of progress out. Especially during the National Struggle period; conditions of printing houses worsened, import supply of paper and printing materials shortened for the book production. Furthermore, the continuing problem of lacking a fast and efficient transportation network, published books could not be sent to the furthest corners of the Empire. In sum, during Ottoman and pre-Republican period, although the production for the market was realized to some extent, book publishing activity remained merely transferring the book content into a commercial medium at the market rather than the industrialization of production through multiple processes.

²⁴ Many books were originally the collection of piece of writings of authors previously published in the newspapers and magazines. See Kabacalı: 2000.

²⁵ Kabacalı (2000:147) states that number of printing houses and publishers around Istanbul, in *Sahaflar Çarşısı* and Bab-ı âli, which are districts in Beyazıt and Cağaloğlu today, especially triumphed between 1908 and 1917 both reached to a number of 250.

²⁶ For the established bookstores, Istanbul was the center, too. It is possible to classify the bookstores in Istanbul there were at the time three kinds of bookstores: *Sahaflar* (second-hand booksellers), the bookstores of Beyoğlu (the modern district of the time), and the bookstores in Bab-ı âli district (the district where all the newspaper offices and publishers were located). Köroğlu (2003) states that the *Sahaflar* catered to “Arab and Persian tastes”, the book stores in Beyoğlu to “European tastes”, while those on Bab-ı âli Street were the typical products of the Tanzimat (the process of Europeanization, which began in the first half of the nineteenth century) educational system providing “miserable translations or awkward adaptations or imitations” of the previous two schools of thought (Köroğlu, 2003).

The formation of a new nation-state would bring new implications on the development of book publishing industry in Turkey.

2.2.2. The Book Publishing In the Early Republican Period (1923-1950)

It should be firstly noted that the context, namely post-war atmosphere and nation-state formation with its economic, political, and ideological-cultural aspects, is essential to understand the early development of book publishing within the new Republican era. Obviously, wars had cleared the market and legacy of the early period. Negative economic conditions in general economy leading paper shortage and lack of foreign currency to import necessary technological equipments; and destruction of printing machines and poor conditions of printing houses affected the progress of book publishing negatively, during the war years.

Besides that factor, the most notable aspect of the developments in book publishing during the early Republican period in Turkey is that national educational and cultural policy shaped the direction and progress of book publishing. In this sense, it can be said that there is a close relation between the dynamics of nation-state formation in different aspects and affects on book publishing. K  ro  lu (2003:27) well analyzes this relation as such:

“As a society changes from a static peasant society to a dynamic capitalist one, elements like industry, commerce, law, class structure, education, and culture develop proportionately to each other, or rather they oblige each other to develop. A nation-state, which is in the process of being formed, will have to educate its workers, artisans and peasants -in other words all the elements of society- because such a state depends on the existence of a standardized society. Such a nation-state will require a national educational structure; instructors familiar with this new structure; writers/intellectuals, to write the books that will be used by both students and instructors to learn the national historical and literary traditions; a cultural industry formed of printers, publishers, and newspaper and magazine titles to print the literary and cultural output of these national intellectuals”.

Furthermore, this nation-state formation process required the functioning of book publishing as a means to propagate the official ideology in all aspects, especially meaning nationalization of school text books and literature in the country:

“The rapid expansion of education, book publishing, journalism, and other forms of national communication created the need for a growing number of writers to produce the new narratives of the nation. Schools needed textbooks, language manuals, examinations, and teachers; newspapers needed journalists; publishing houses needed authors; and all nationalist movements and governments needed literary advocates. In short, a new class of intellectual experts and critics emerged with the new nationalisms and demanded a special status within the state (or in exile) as defenders of the ‘people,’ the literature, and the history of a national community. On the one hand, there was the need to develop and spread among all social classes a written language responsive to national requirements and to prepare “national” history books, which would be used especially in schools. On the other hand, there was the need to organize ‘patriotic agitation’ even though the instruments for this did not yet exist” (Köroğlu; 2003: 28).

As a result, one of the important developments became the introduction of new alphabet in 1928. The new alphabet was bringing many important advantages for the publishers, especially in the typesetting process²⁷. However, adaptation process to the new alphabet brought a serious crisis for the most components of book publishing business. Many books written in old-alphabet remained on the shelves of booksellers, sales dropped seriously for the publishers, printers had to finance for necessary capital to reorganize the typesetting by new letters and plates in typesetting. Moreover, there emerged the problem of lacking trained personnel to use new machines. As a result, many booksellers, printers, and publishing companies, which are established during the period of 1876-1923, were closed off in this period. As a mostly ignored negative affect of the introduction of new alphabet, it should be stated that new alphabet meant a radical change in reading practices and habits of the people²⁸.

²⁷ See İskit (2000), Kabacalı (2000).

Moreover, an increase in the number of published books is witnessed due to the cultural and educational reforms initiated by the state. State publications, through the support of the Ministry of Education to the publishers in the field of school books publishing, increased in the early-Republican period. A national literacy campaign was started and national schools, so called “*Millet Mektepleri*”, were opened in each city. With the rapid increase in the number of educational institutions in the country, private publishers started entering into the field. Superimposing policies of the state to form a national education system and concentration of financial support in this field resulted that booksellers in Babiali preferred to publish school books and specialize in this field in the early development period of book publishing²⁹. Nevertheless, the school books were mostly published by the state-owned printing house (old *Matbaa-i Amire*) and the field was controlled under the name of Ministry of Education.

In addition to these motivations and developments, institutional reforms and regulations were introduced as a constituent of educational and cultural policies. A centralized control of publications was succeeded through *Matbuat Umum Müdürlüğü* and The National Ministry of Education. Other institutional reforms can be summarized chronologically as such: the foundation of Turkish Language Institution and Turkish History Institution in 1932, People’s Houses in 1932³⁰, Bureau of Translation in 1939; Village Institutes in 1940 and university reform³¹

²⁸ İskit (2000), Gerçek (1939) and Kabacalı (2000) argue that the introduction of new alphabet facilitated the popularization of book reading practice and the number of publications. On the other side, new alphabet meant a radical change in reading practices and habits of the people. Unfortunately, there is absent comprehensive study about the possible negative affects of the introduction of new alphabet on the reading practices of people.

²⁹ On that matter, in one of the articles in the *Resimli Ay* magazine, Zekariya Sertel’s criticizes the booksellers in Bab-ı Ali, which also dealt with the book publishing business. See Kabacalı: 2000; p.174.

³⁰ Kabacalı (2000) states that total number of books published by People’s Houses was 1000 and 500 of this number were published in local provinces outside Ankara and Istanbul. By 1938, there were 285,000 books in the libraries of 209 offices of People’s Houses. Although those institutions succeeded popularization of books and reading habits to a certain extent, they have played important role in collecting books, and formation of a cultural repertoire which is very important to attribute a national spirit to popular forms. See Öztürkmen, 1998.

³¹ Especially, academicians running away from Nazi Germany, with a special agreement with the university obliged to write lecture books and this gave increase to the university or academic

(Istanbul University in 1933, Ankara University DTCF in 1936, and Faculty of Theology in 1949). These state institutions actively contributed to an important amount of total number of published book titles³².

Another important development of the period was the establishment of the first paper and cardboard factory of Turkey, SEKA, in İzmit in 1936. The share of SEKA in domestic paper production was 100% in 1936³³. On the other side, SEKA could only supply a relatively small percentage of the domestic demand for paper and paper import had become more difficult for the publishers as a result of high customs tariffs³⁴.

As a result of increasing state-supported mechanisms, an increase in the number of private publishing companies was witnessed. A private company, namely *Türk Kitapçılığı Limited Şirketi*, published many school books. The other leading private book publishing companies of the period were *Remzi*, *Kanaat*, *Hilmi*, *İnkılap*, *Ahmet Halit*, *Tefeyyüz* (Kabacalı; 2000:177). Among these companies, Remzi and İnkılap, which are bookstores originally, also published many books in a wide range of titles such as novels, serial stories, translated works of Western literature, social, and natural sciences. Besides them, other bookstores and second-hand booksellers actively involved in book publishing business and totaled a large portion of published titles.

It should be noted the market structure of book publishing was highly competitive in this period, led by small and major book publishing firms, bookstores, second-hand booksellers and printing houses. Especially after the Second World War, new publishing companies entered to the book market, such as *Varlık*, *Ölmez Eserler*,

publishing in this period. It should be noted that the first modern intellectual property law (No. 5846) on “the works of art and thought” was prepared by a German professor, Ernst Hirsch, in 1952.

³² In addition to the publications of state institutions and private publishing companies, newspapers and magazines, which flourished after 1940s, published many books. The major ones were *Cumhuriyet*, *Akşam*, *Vakit* newspapers, and *Resimli Ay* magazine. See Kabacalı: 2000, for a documentation of books according to years in this period.

³³ We will evaluate the affects of paper shortage problem and elimination of domestic papermaking industry through purposeful policies in the next sections.

³⁴ See Kabacalı; 2000: p.183.

Yüksel, Arpad, Nebioğlu, Batı, ABC, Güven, Arif Bolat, and İskit. These companies published many books in different fields and quality and quantity of published books increased. However, a mass book market through commercial-popular genres did not emerge and industrial development of the market was not realized during this period due to worsening general economic conditions and policies (inward looking and protectionist economic policies obstructed on entry of foreign capital) during the Great Depression of 1929 and Second World War³⁵, which brought the scarcity of imported raw materials, paper, printing machines and impediments on the conditions of profit-maximization and capital accumulation for the publishing companies. In sum; while serious developments are recorded on the way towards a developed book market and industry, structural problems of book publishing in Turkey have continued during the 1923-1950 period.

2.2.3. The Period from 1950s to 1980s: Towards Technological Developments

The period from 1950s to 1980s can be generally characterized by the remarkable development of printing and publishing sectors in Turkey, especially towards technological innovations and new methods in the organization of book production. It should be specifically noted that printing press has become the pioneer of technological developments in printing and publishing sectors. Publications of newspapers and magazines, has flourished during this period and positively affected the development of book publishing.

During 1950s, entrance of new publishing companies, such as *Yeditepe* (1950), *Çağlayan* (1953), *Altın* (1957), *Arkin* (1957), and *De* (1959) into the Turkish book market and continuing publishing activities of old ones such as *Varlık*, *Remzi*, *Kanaat*, and *Hilmi* increased the competitive climate. Inspiring from American and British models, new publishers started to produce cheap pocket books. Noteworthy sale successes are recorded by *Varlık* (pocket-book series) and *Çağlayan* publishing companies³⁶. Distribution problem of books was surpassed to a certain extent

³⁵ Boratav:2003.

³⁶ Especially, *Çağlayan Publications*—founded by three famous figures, Refik Erduran, Ertem Eğilmez and Haldun Sel— caught great successes in sales through detective stories and novels (such

through the new channels established by newspaper companies in marketing of books through bookstalls and kiosks. Another important development was witnessed in the legal framework. The Law on Intellectual and Artistic Property (FSEK), bringing regulations on copyright-related matters, was passed in 1952³⁷.

Within 1960s, number of publications³⁸ and newly established private book publishing firms continued to increase. As well, diversity in title and subjects of publications increased during this period through translations of world classics and Marxist literature (a new mass of readers by Sosyal Publications and Sol Publications), scientific books (especially reference books in social sciences). Encyclopedias publishing developed through promotion campaigns of major press companies. New publishing companies began to be founded in mid-1960s such as *Ağaoğlu, Ant, Bilgi, Bilim ve Sosyalizm, Cem, Çan, Doğan, E, Gerçek, Gün, Habora, May, Yankı, Sol, Sosyal, Ararat, Ekim, Hür, İzlem, Köprü, Kovan Kitabevi, Öncü Kitabevi, Payel, Toplum, Yön, Sander*. As a result, it can be said that a highly competitive market structure emerged during 1960s. The general profile of publishers could be done as such: mostly family- managed and owned companies, with several companies owned by the authors and by banking companies (such as Yapı Kredi and İşbank), and lastly university publishers (i.e. ODTÜ, Ankara, İstanbul in subjects such as political science, economy, law, and public administration). As well as the position of Istanbul as the center of book publishing continued, new publishing companies were founded in other big cities, especially in Ankara. Furthermore, entrance of newly founded book distribution companies, such as Bates, Geda, and Tekin, brought a solution to the distribution problem to a limited extent. In sum, it can be argued that the first signs of industrialization were witnessed in this period³⁹.

as Kemal Tahir's *Mike Hammer* series, *Halk Pasajı*, and Yaşar Kemal's *İnce Memed*). For an evaluation of Kemal Tahir's famous political fiction books and in this genre, see Birgün Kitap, 24/01/2006, No.8. Success of Çağlayan Publishing can be depended on the illustrated and attractive book covers, which is one of the most successful methods to manipulate reader interest and thus sales. This strategy could be an important tool in the Turkish book market only during recent years, since such covers bring extra costs for many publishing companies, which are mostly financially weak.

³⁷ With the introduction of FSEK, Turkey also joined to Bern Convention (1886) which is an international agreement regulating the copyright related issues and bring enforcements.

³⁸ The numbers of titles rose up to 5669 in 1969, while 4195 in 1960. See Kabacalı (2000) for a documentation of books published in years.

Whereas the adverse affects of 12 March 1971 memorandum on progress of book publishing , the developments in book publishing continued during 1970s, as a result of increasing numbers of publishing companies and titles of published books⁴⁰. An increasing trend witnessed in 1970s was that entrance of new publishers to the book market with ideological aspirations and non-profit motives. As in earlier periods, developments in printing press continuing during the 1970s brought new technologies in the book production process. Instead of intertype leaded line typesetting and stereotype printing technique in photography printing, film technology was introduced with the IBM and compugraphic typesetting (photocomposing with its low costing typesetters) had been introduced in late 1960s. Moreover, instead of typographical printing technique (“tipo”), the widespread use of offset technique in book publishing has started in the 1970s. Entrance of press capital to the book market was another important development. Hürriyet and Milliyet Publications, Tercüman Publications and Cumhuriyet’s Çağdaş Publications contributed to the total number of published titles; however, their interest to book publishing business remained limited.

To conclude, whereas remarkable developments were recorded especially in the book production process thanks to the technological innovations and developing methods-techniques, many structural problems, mentioned in the analysis of earlier periods, continued during the period from 1950s to 1980s. These problems and their wide-ranging reasons were discussed in the 2nd Congress of Publishing in Turkey (1975) and can be summarized in topics as such: retrogressive conditions of economy in general after mid-1970s (especially inflated prices) ; continuing import-dependend supply of raw materials and equipments; the difficulties and barriers in the importation of materials in printing and publishing; financial weakness of publishing companies leading to imports of printing machines in poor conditions; insufficient paper supply; lack of qualified staff; lack of sectoral rules regulating the book

³⁹ Kabacalı; 1999:2830.

⁴⁰ Kaynardağ (1999) states that the number of book publishing firms reached to 200 by the end of 1970s. As a result, number of publications reached to 6830 in 1977 (with a peak 7479 in 1973), while it was 5854 in 1970. Furthermore, average number of print runs per book reached to 5000 (Kabacalı: 2000). A bestseller market developed within 1970s, especially through translated publications of Altın and *E Publishing*. See Kabacalı; 2000: 244, for a documentation of the number of publications in years.

business (on competition, pricing management etc.); malfunctioning of distribution and marketing of books in nationwide scale. The book publishing industry in Turkey entered to the 1980s within these conditions and new period would bring many important developments both in the market and capital structure, as well as the organization of book production.

2.2.4. Turkish Publishing Sector After 1980s: Towards Industrialization?

The climate of post-1980s introduced new trends and tendencies for the Turkish book publishing industry. Although certain problems affecting the progress of book publishing have continued during this period, book publishing industry in Turkey began to attain a more dynamic structure than has ever been

What characterized the structure of book publishing market in Turkey in early 1980s were the high levels of demand uncertainty due to the affects of both political-ideological and economic atmosphere. It can be argued that the period after 1980s, due to the affects of new economy policies executed by January 24th ⁴¹ and political crisis by September 12th Memorandum⁴², book publishing sector entered into a crisis. The new period was remarked by an “increasing unpredictability of conditions” of the book market⁴³. Book publishing market contracted in book sales during the 1980s

⁴¹ The problems such as the high prices of paper and other publishing materials also have continued within 1980s. However, paper prices and other publishing materials’ prices have increased more than other decades, with the rises in oil and the devaluation of Turkish lira against dollar. One of the bases of export promotion strategy that was followed after 24 January 1980 decisions, was successive devaluation of Turkish lira which supported the proposed form of integration into world economy at the expense of costs brought about by the continuing import dependency of the economy in general (Boratav:2003) and publishing and printing sectors in particular.

⁴² The outcomes of September 12th Memorandum were very traumatic for the book publishing sector. Millions of books were burnt by the *Commandership of Martial Law*. Moreover, many confiscations, prosecutions, and trials started and many authors, owners of publishing firms, editors, distributors, and booksellers were arrested during this period. Especially, “*Muzır Yasası*” in 1983 and “*Commandership of Martial Law*” in 1985 brought destructive affects on the progress of book publishing sector. This was rampant for the 1990s, especially in accordance with the Law of Struggle against Terror (“*Terörle Mücadele Yasası*,” TMY); many publishers were penalized by the State Security Courts. It can be said that the book market was cleared dramatically in all aspects. See Kaynaradağ (1999), Kabacalı (1999, 2000) and Sökmen (1999) for the negative outcomes of the memorandum.

⁴³ For a well-discussed analysis of the book publishing in the 1980s, see Sökmen: 1999.

and first half of the 1990s⁴⁴. The dramatic decrease in the book sales is mostly depended on the increasing costs of importation of technological means in printing and publishing, the rise of paper prices and other related materials as a result of devaluation of currency and high inflation rates. It should be also noted that purchasing power of large mass of people fell remarkably and affected book sales negatively (Kabacalı; 1999:1463). In these adverse conditions, average print runs per title decreased, accompanied with the rise of book prices. While major book publishing companies and school-lecture books publishers were less affected by the crisis, small scaled publishers were dramatically affected by the new conditions. Many book publishing firms quitted from the Turkish book publishing market.

On the other side, increasing entrance of book publishing companies to the Turkish book market was witnessed, especially after 1982 when conditions are normalized. New entrances to the market indicated the formation of a new market structure. In the structure of book publishing market, there were private individual firms, associations, foundations private and state institutions, universities, media companies that publish books in many different titles. There were no barriers to enter the market during 1980s. As a result, a highly competitive and instable market structure emerged. Furthermore, major book publishing companies founded before 1980s continued book publishing business during 1980s. The major ones were *Remzi*, *İnkılap*, *Altın*, *Bilgi*, *Cem*, *Çağdaş*, *Dergah*, *Gerçek*, *Milliyet*, *Sosyal*, *Tekin*, *Yapı Kredi* and *Varlık*. However, it should be specifically noted new companies, which constitute about 90% of publishing companies in today's market structure, were founded during 1980s. Some of them were *Adam*, *Afa*, *Alan*, *Anahtar Kitaplar*, *Arba*, *Ayrıntı*, *Bağlam*, *Broy*, *Can*, *Cep Kitapları*, *Çınar*, *Düşün*, *Engin*, *Eren*, *Esin*, *Gendaş*, *Gündoğan*, *Gür*, *İletişim*, *İmge Kitabevi*, *İnsan*, *İyi Şeyler*, *Kaynak*, *Literatür*, *Metis*, *Nisan*, *Oğlak*, *Özer*, *Özgür*, *Papirüs*, *Sarmal*, *Say*, *Timaş*, *Yapı Kredi Yayıncılık* and *Yar*⁴⁵.

⁴⁴ Kabacalı; 2000: 258

⁴⁵ Kaynardağ gives a documentation of leading book publishing companies by the year of 1984. Those publishers were Abece, Ada, Adam, Alan, Alaz, Altınköprü, Alternatif, Altın, Ar Dağıtım, Arkin, Atlas, Ayko, Aydın, Akbank, Arslan, Baskan, Bayraktar, Bedir, Bahar, Belge, Bilgi, Bir, Birim, Birey-Toplum, Birikim, Binbaşıoğlu, Can, Cem, Çağdaş, Çağrı, Çark, Dayanışma, De, Der, Değişen Dünya, Deniz, Derinlik, Dergâh, Doğan Kardeş, Dost, Dönemeç, Diriliş, E, Edebiyat, Eleştiri, Elif,

On another note, as many scholars argue⁴⁶, rules and regulations organizing and shaping the book publishing business and industry were mostly absent or non-established in the market structure. As a matter of fact, there have been no long-established rules and regulations organizing the activities and transactions in the market and this situation has continued as yet. This situation can be explained through several reasons. First of all, almost all new comers had no long book publishing experience and they easily accorded with the new market structure, which is highly unregulated and informal. Secondly, many book publishing and distributing companies were closed during the Martial Law Period and booksellers in small towns turned into stationeries or toy-sellers. In short, the book market was cleared throughout many aspects and there was need for time to establish the rules and principles of book business. Thirdly and the most importantly, there were no extra-economic measures to revitalize the book market through certain support channels that foster book production and consumption. Lastly, an important development in the professional organization of book publishing was witnessed by the foundation of Turkish Publishers' Association in 1985. However, it can be said that TPA failed to bring solution to problems in professional and legal organization and to represent wide sectors of book publishing industry.

In addition to the problems in legal structure and professional organization, structural problems of Turkish book publishing industry, which are discussed in previous sections, have continued during 1980s and 1990s. First of all, problems in the importation of necessary technological means and raw materials (especially paper⁴⁷)

Enderun, Eser, Gerçek, Gelişim, Gözlem, Gökşen Dershaneşi, Günebakan, Gül, Havas, Hil, Hürriyet, İnkılap, Aka, Işık, İstanbul, İletişim, Kanaat, Karacan, Kaynak, Koza, Kelebek, May, Meyan Larousse, Milliyet, Murat Dershaneşi, Maifet, Nakışlar, Nedve, Oda, Onur, Osmanlı, Ötüken, Örgün, Özyürek, Pars, Payel, Redhouse, Remzi, Sander, Say, Serhat Dağıtım, Sosyal, Sungur, Şamil, Tekin, Türkiye İş Bankası, Tan, Toplum, Turhan, Türdav, Toros, Türkiye Yazıları, Üçdal, Ülken, Varlık, Yazko, Yalçın, Yeditepe, Yaba, Yeni Türkü, Yurt, Yasa, Yol, Yapı ve Kredi, Yağmur, T.T. ve Otomobil Kurumu and Türkiye Felsefe Kurumu (Kaynardağ; 1999: p.2835). Note that state institutions and universities in book publishing are not given on the list.

⁴⁶ For one notable example, Sökmen well analyzes the “chaotic structure” of the book publishing market in Turkey. See Sökmen; 1999: 1466.

⁴⁷ Kabacalı (1999) states that printing press was granted a privilege to purchase paper produced by SEKA with state subsidies. Large amount of paper were given to press and a small amount of given to school book publications. As SEKA's paper production was not on desired levels, publishing companies provided paper (mostly 3rd quality paper used in the press, too) both from SEKA to a

endured due to the adverse economic conditions. Then, capital investments to the book market remained limited due to weak financial structure of publishing companies activating in the market, limited interest from other sectors of economy and reluctance of foreign enterprises to enter the market as a result of high levels of demand uncertainty and low levels of profitability. Capital circulated in the market through different cycles, such as production, distribution, and marketing, was insufficient to enforce industrial development. Therefore, scale of book publishing business and volume of the book market in Turkey remained limited during 1980s and 1990s.

Problems in distribution and marketing channels during 1980s and 1990s were an important factor that affected adversely the progress of book publishing industry in Turkey. Although the number of published titles as a result of increasing entrances of companies to the market, lack of a nationwide and efficient distribution system brought serious impediments on getting results of such development. Newly founded distribution companies in the market with the old ones (Geda, Tekin, Bozkurt, Özgür, Arkin, Bilgi, Ar, Cemmay, and Deniz) brought a solution to the distribution problem to a certain degree, however, postal service was still the dominant channel of distributing books and delays in deliveries continued. As a result, many published titles could not be reached to the far regions of the country. In addition to the distribution problem, marketing of books mostly remained limited with the sales in big cities such as Istanbul and Ankara. As a result of intensive competition, above all, small companies with limited financial strength suffered from marketing and promotion of their published titles. This situation is case for major ones to a certain degree, which failed to maintain a national sales force. Book fairs have been as an important channel of marketing books during 1980s and 1990s,

limited extent and from “black market”. While SEKA increased production capacity by opening factories in Balıkesir, Karadeniz, and Kastamonu, it was still not on required levels. The share of SEKA in domestic paper production has fallen down step by step (especially after 1980s as a result of the privatization attempts), it was 22% in 2001 (it was 100% in 1936) and the future of the factory is a dilemma today. Prime ministry Privatization administration declared that the land and machinery will be submitted to the municipality of İzmit that plans to turn the factory into a green field. While with a several millions dollar investment to the technology to the factory it was possible to increase paper production capacity and quality as paper production technology has never required great capital investment, it has never been in case, on the contrary, SEKA has been issued to privatization attempts after mid-1980s, which would be a major threat to the publishing sector, increasing its dependency to the foreign import. See Yeldan

particularly for small ones to meet their titles and author with a wider public⁴⁸. However, it can be said that promotion costs is still a major cost item and problematic for those companies.

Furthermore, as stated above, lack of state support mechanisms was another problem continued during this period. It can be argued that the ideological motivations of the state were in direct opposition with the economic interests of the publishing companies. First of all, policy of subsidizing paper prices was abolished after 1980s. Furthermore, a protective policy against high price increases in import items for the book publishing was not executed during the inflationist period. Another one was the poor conditions of public libraries⁴⁹ and insufficient book purchases to libraries⁵⁰. Finally, the most critical side of this negative attitude was reluctance of governments in Turkey to put the copyright law into practice and regulations about new amendments⁵¹.

In addition to this set of problems, the most notable development, especially realized after 1980s, was the widespread use of technological means and opportunities in the book production process. It can be argued that a “restructuring” process was witnessed in printing and publishing sectors through utilization of “offset printing technology”, computer supported production and design systems. Those new technologies are adapted to the printing and publishing sector with faster drying inks, sensitive molds, and final stages of the production such as drying; sticking and binding cold are fastened by the automation. Moreover, through adaptation of electronic and computer systems in the next decade, press control mechanisms have

⁴⁸ The first big book fair (*TÜYAP Book Fair*) took place in 1982 in Istanbul (an early attempt had been in 1932 in Istanbul). Attendance to the book fair was over expectations, with 28 publishers, 80,000 visitors, and 40 million TL total sales. The second book fair was in the following year of 1983 and success was remarkable, with 76 publishers, 250,000 visitors, and 300 million TL total sales. In the following years, TÜYAP Book Fair continued to be organized annually and in new cities such as in Ankara (since 1994), İzmir (since 1996), and other Anatolian cities.

⁴⁹ See Appendix B, for dramatic conditions of public libraries in Turkey

⁵⁰ As a matter of fact, in the West, governments support book publishing through huge book purchases from major and independent companies.

⁵¹ Indeed, censorship and court trails about authors and publishers have continued during 1980s and 1990s, as a never-ending reality.

highly developed, size of the press has decreased, and quality of the product has developed. In short, the whole technological developments in printing and publishing have changed the cost, quality, and productivity of the product (Erdoğanaras: 2002).

Throughout 1990s, following the prevalent use of offset technology and computerized typesetting systems, publishing sector were equipped with computers practical for “desktop publishing” (*masaüstü yayıncılık*)⁵². These developments can be evaluated a remarkable change in the production process of books. However, it should be put that level of computerization for book publishing companies in general, for small ones particularly, was still away from meeting requirements of an industrial production.

Following these technological developments in the organization of book production process, capital structure of the market started to change. Especially after 1990s, major book publishing companies financed by the banking capital and media capital increased their investments through active title production, advertising, and marketing of their books⁵³. Bestseller successes of these major companies through works of famous and popular authors and increasing number of publishing companies during 1990s, on the one hand brought manipulation of sales by these companies and on the other hand, increasing competition between small and major companies⁵⁴.

⁵² See, Kabacalı; 1999: 1465

⁵³ Feridun Andaç, in his article in the magazine *Virgöl* (June, 2005/85), argues that book publishing has been carried on by small capital investments until 1990s, however, it has began to change after the entrance of different capital groups into the sector, by 1990s.

⁵⁴ Another notable development within 1990s was the increase in the number of Islamic publications. It is argued that publications carrying Islamic or religious character had been abolished in 18th century Ottoman Empire. Moreover, the progress of Islamic publications had been interrupted during the early Republican period because of its conflict with the general principles and practices of official ideology. Therefore, it is argued that publishing dimension of the Islamic movement could come into existence only after 1950s (Alioğlu; 1999: 1468). However, the establishment of new publishers such as *Düşünce* and *Pınar* in this field was witnessed in the last quarter of 1970s. September 12th Memorandum had affected to the progress of Islamic publishing. In the following years, several publishers such as *Beyan*, *Bir*, *Fecr*, *İnsan*, *İşaret*, *İz*, *Nehir*, *Pınar*, *Risale* and *Yöneliş* were established (1999: 1468). Especially, the works of Western Muslim academicians and authors that are critical to Western thought were published by so called “Islamic publishers”.

Furthermore, companies—those are originally in the book distribution and marketing business— started to enter book market. Although book distribution and marketing though bookstores was still an important field of problem, the number of distributing and bookselling companies increased during 1990s. Moreover, the introduction of internet during mid-1990s brought many improvements in marketing of the books through book sales via Internet⁵⁵.

After mid-1990s, it can be said that a bestseller market and “star-author system” started to be established. Especially the books of the authors and journalists touching current issues and popular themes were sold in large quantities, most notably after mid-1990s. However, it should be noted that catching a bestseller success was too low for the publishing companies in the Turkish book market, especially for small ones that can not finance huge promotion and advertising costs. On that matter, two points must be particularly mentioned. The first point is that bestseller successes of the major book publishing companies through huge advertising and promotion costs could not be returned to huge profits and capital accumulation, and further investments to the book market for the creation of new titles, genres, and large mass of readers were constrained by increasing piracy rates. The second point is that reluctance of governments to enforce strict copyright protection laws has continued during this period. To prevent high levels of piracy in book publishing market, the first serious attempt by the government was implemented in 1995 with a change in the 81st article of the *Fikir ve Sanat Eserleri Kanunu* (The Law on Intellectual and Artistic Property) which was in force since 1952 but remained non-operational until 1995. This regulation introduced an obligation for the publishers to stick banderoles to the non-periodical publications⁵⁶. The By-laws of Marking (*İşaretleme Yönetmeliği*) was put into practice in 1997 and banderole obligation was once again voiced. However, these developments in the legal framework did not bring a permanent solution to the piracy phenomenon due to ineffective implementation of provisions of the law. Insufficient amount of capital invested to the Turkish book

⁵⁵ As a new method of marketing, promotion of books and encyclopedias through sales by installments- for the readers whose purchasing power is low- started in this period, too.

⁵⁶ This regulation was implemented within the framework of adjustment under the Customs Union agreement signed with the European Union (Suluk: 2004).

market from other sectors of cultural production and continuing reluctance of multinational conglomerates to enter the market can be depended to this crucial problem of piracy.

2.2.5. Towards 2000s: A Brief Evaluation

As discussed above, book publishing industry in Turkey entered to 2000s with serious developments in the organization of book production and problems in different fields such as preconditions of profit maximization and capital accumulation in the market; distribution and marketing channels of books and finally, professional and sectoral organization of the book publishing. Furthermore, the adverse economic conditions (as a result of successive economic crisis) and fragile structure of book publishing market and capital structure of publishing companies to these conditions (rising inflation rates, devaluations in currency, price rises in imported materials, decreasing number of print runs in editions and rising prices) were accompanied by decreasing purchasing power of book consumers. On the one hand, industrialization dynamics of book publishing have accelerated and on the other hand, problematic legacy of the previous decades have brought serious impediments on the way towards a developed market structure and industrial character of book publishing business. In the following part of the study, the current structure of the Turkish book publishing market and industry is analyzed within the light of this twofold structure.

CHAPTER 3

THE TURKISH BOOK PUBLISHING INDUSTRY TODAY

Up to this point, the historical conditions of the development of book publishing industry in the West and in Turkey from earlier Ottoman practices onwards is analyzed. In this chapter, the purpose of the study is to analyze current structure of the Turkish book publishing market and evaluate dynamics-trends towards industrialization of book publishing. Before proceeding on the sections of such an analysis, some crucial points must be necessarily noted for the purpose of providing clarifications. It should be first noted that the aim of this study is to reveal out the market structure of Turkish book publishing industry in an informative- descriptive way through various statistics and figures. The second point that should be mentioned is the poor statistics, outdated or non-existed data about the market structure. There is no systematic research has been carried out and insufficient data flow and cooperation between regulative state institutions, TPA, publishing companies, distributors, bookstores. Furthermore, there is lack of regulative mechanisms to control the sale records and the continuing secrecy as a norm for the Turkish book publishing industry. In such respects, the importance of the study lies in collecting and analyzing available but dispersed sources and non-published data on the Turkish book publishing industry, which still remains one of the neglected fields of study in the literature.

Within such considerations, the main channels of sources in this study are: the data compiled by the author from the records of The Directory of Copyrights and The Directory of Libraries and Publications of The Ministry of Culture and Tourism; in-depth interviews with various figures in the Turkish book publishing market⁵⁷. In

⁵⁷ The interviews were carried for the purpose of a general evaluation of the book publishing sector within the context of problems and developments on the way towards industrialization. Due to many problems experienced during this study of 2005, a total of 25 interviews made, 11 of which with publishers/ publishing company owner or publishing company employees (namely the editors, directors); one journalist (starting a discussion on book publishing market), two Turkish Publishers

addition to these data sources; a review of articles, news in press and Internet—that mostly focus on the recent legal regulations and increasing piracy phenomenon in the Turkish book market—is figured out to put recent discussions and trends in an argumentative way.

All these sources contribute to understand the current structure of the book market and industrialization dynamics of Turkish book publishing sector, to reveal out impediments and developments on the way towards industrialization, and to go for a further discussion on general tendencies and recent trends in the Turkish book publishing industry. This chapter is comprised of 3 sections: In the first section, a general overview of the Turkish book publishing market is introduced; in the second section, the structure of Turkish book publishing market is deciphered in two sub-sections: the panorama of publications (titles, genres, fields of activities in publishing), and the panorama of publishing companies (total number of publishing companies, types of publishers, competition between them etc.) and divisions of companies into two categories according to their capital structure and scale; in the third section, the organization of book production process and other processes in value chain such as distribution, promotion and marketing of books (bookstores), actors and factors in these processes.

Association board members (at the same time, leading a publishing company), the chairman of BESAM and TPA, a lawyer of Copyrights (at the same time author), a street vendor selling pirate books, one chairman of a publishing corporation, TÜRDAV (producing Book-Cassette-Stationery Catalogue, providing distribution, library building services and other many services related with book publishing), one respondent from a copyright agency and the director of Ankara Office of the Directory of Copyrights of the Ministry of Culture and Tourism, with the director of Unit of Inspection of Copyrights and staff from The Directory of Libraries and Publications. These interviews surely contributed to the analysis of the general structure of the book publishing market and organizational structure of the firms operating in the market. It should be also noted that many actors within this structure have refused to interview. Some of the interviews (sometimes, some parts of interviews) were made “off the record” as requested by interviewees. It was witnessed that some of the interviewees were anxious about specification of their names in the study and were reluctant to answer certain questions. This indicates that the self-proclaimed discourse of transparency of the sector, relentlessly uttered within publishing circles, disappears from view, when push comes to shove. In such cases, the names of the interviewees are not disclosed, only his function or position within the sector/company is indicated.

3.1. A General Overview of the Turkish Book Publishing Market

The Turkish book publishing market remains one of the smallest in comparison to the developed book markets in U.S. and EU countries⁵⁸. The book publishing industries in these countries are highly and increasingly articulated within the spectrum of culture industries. The heavy foreign capital investments by major multinational media conglomerates at national level enforced the development of book publishing markets in these countries, through mergers, acquisitions, and joint-ownership. In general, it can be said that total volume of the book markets in developed book publishing markets remain much higher than the Turkish market. For example, total UK publishing industry book sales were worth \$ 5.6 billion in 2003, the French book market grew by 1.2% over the year to reach € 2.4 billion (\$ 2.8 billion) in 2003 and the German book market was worth € 8.2 billion (\$ 9.7 billion) in 2003⁵⁹.

As a matter of fact, there is scanty registration and information on the activities of book publishing companies in the Turkish book market. The estimation of the size of the Turkish book market is therefore a guessing game: no any data about book sales in total and book sales per capita. One reliable source of statistics on Turkish book publishing industry and main regulative tool is the banderole sales to the publishing companies by the Directory of Copyrights and ISBN registrations for the books kept by The Directory of Libraries and Publications. For the estimation of market size, the

⁵⁸ The most extended markets, with heavy investment in advertising and high media consumption, are Germany, the United Kingdom, Italy, France, and Spain. These are followed by smaller markets such as Holland, Sweden and Denmark. In the third place found some markets that receive a lot of capital investment from a neighboring country, because they share a common language. Spain and the United Kingdom have the highest revealed comparative advantage in book trade, based on the English and Spanish language diaspora. This is the case of Ireland with England, French-speaking Belgium with France, and Flemish-speaking Belgium with Holland, Austria and Switzerland with Germany, and to a certain extent Finland and Norway with Sweden. Shared language and cultural identities play an important role in the development of book publishing industries in these countries. Literary Marketplace (2004) reported that there were 13,574 book publishers worldwide as of June 2004, of which 10,775 (79%) were in OECD member countries. The United States (2,989), Germany (1,487), the United Kingdom (1,147), and France (629) had the largest number of publishers (OECD: 2005).

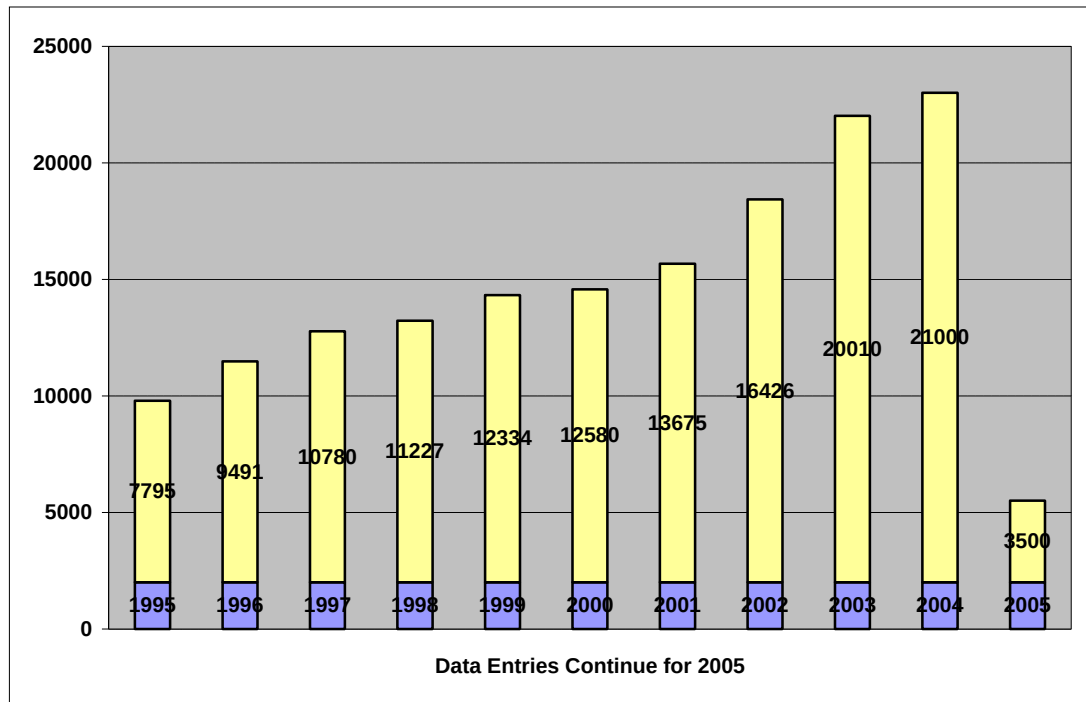
⁵⁹ General characteristics of these countries can be summarized as such: highly industrialized countries, high level of general welfare, consumer income, literacy rates and reading population; market volume, book sales per capita, number of titles published, average retail price of a title; hardback-paperback (popular mass market books) divisions of books to meet diversified needs-interests and consumer budgets.

only available data is the number of titles published in each year. However, there are still problems to analyze the Turkish book publishing market, such as i.) Late establishment and poor functioning of banderole system as a regulative mechanism; absence of records for unsold or returned books and therefore, banderole sale is not in accordance with the real sales ii.) Even if number of titles published in a year is known with certainty thanks to the ISBN records, the estimation of publishing market in Turkey remains difficult. There is no consensus over average print runs per title and average price of a title. The print runs for a title can be as high as one lakh for a popular novel and can be even a few hundreds for another. Similar is the case with the variability in prices. Therefore, apart from information on banderole sales and published titles, the other estimations on the market size and growth revealed by the author are assumptions to approximate as the closest to the real situation. The discussions with the experts from the private publishing companies and chief executors of Turkish Publishers Association also provide the basis for such an approximation.

According to Turkish Publishers Association, total volume of the Turkish book market is worth about \$ 350-400 million for 2004. Actually, there are different point of views about the volume of the Turkish book market, however, it can be said that these views generally estimate the size of the market between \$250 and \$400 million. The estimation by the TPA for 2004 is done through multiplication of three categories: assumed average number of print runs (2000) and retail price for a title (\$9-10), and total number of published titles (21,000)—including fiction and non-fiction titles—in the Turkish book market. At this point, it is widely argued whether the Turkish book market is in a growing trend or not. If one of the constituents to determine the total market volume—the number of published titles in years-- is taken into consideration, a noticeable increase in the number of book titles produced in the publishing, from 7795 in 1995 to 21,000 in 2004⁶⁰, is observable in Figure 1:

⁶⁰ It should be noted such an increase in the number of published titles is the sharpest towards EU25 countries. See, Appendix D.

Figure 1. Number of Publications Between 1995 and 2005 (ISBN Data)



Source: Compiled by the author from the records of the General Directory of Copyrights and ISBN Agency

On the other hand, for the another constituent to determine total volume of the book market—average print runs for a title—such a development can not be seen. It is a fact that the number of print runs is below the level of 1960s and 1970s. This situation was specifically noted by the chairmen of the TPA, Tuğrul Paşaoğlu and Metin Celal, during interviews:

“The increase in the number of book titles from 1980s onwards, depending on both the increase in the number of publishing companies and diversification in the titles produced, is a positive development. What is negative in this picture is that the number of average print runs for a title decrease continuously: it used to be 5000 in 1970s; it fell to 3000 and than 2000 in 1980s. Now, average number of print runs for a title is 1000-1500.”⁶¹

⁶¹ The negative affect of decreasing print runs on book prices will be discussed in the following sections.

Another source of data to check market growth is the total banderole purchases by the publishers, assuming that those banderole-stuck books are sold in the market because of the scanty data about the unsold or returned books.

Figure 2. Total Banderol Demands of Publishers In Years (2001-2005)

Years	Total Number of Banderoles
2001	30.330.151
2002	213.293.239
2003	173.571.094
2004	216.129.901
2005	49.715.658 (first six months) ⁶²

Source: Compiled by the author from the records of General Directory of Copyrights

As for 2001, total number of banderoles demanded by the publishers seems too low, due to the factor that publishers began to oblige the requirements of banderole system after that date. As a matter of fact, these numbers figured above do not represent actual banderole purchases by the book publishing companies during the respective years, because By-Laws of Marking obliged publishers, distributors and booksellers to stick banderoles for books remained unsold in their warehouses or shelves from earlier years. This process has continued until 2004 and therefore, it is difficult to come to a tentative conclusion about the market growth. However, all these data available about the volume of the Turkish market can be admitted of two interpretations: the first result is that Turkish book publishing market is growing as number of titles increased; and the second result can be inferred as the Turkish book publishing market is highly unstable, rather than shrinking, as number of print runs for titles and banderole purchases by publishers remarkably change in years. The fluctuation in book prices during adverse economic conditions and level of consumer income expenditures for the books should also be taken into consideration in such an analysis. The general overview of the Turkish book publishing market is represented in the Table 3, which also summarizes discussions that will be kept up in following sections.

⁶² It should be noted banderole sales are mostly during the school season through increasing demand by The Ministry of Education and private companies in the school books sector.

Table 3. A General Panorama of Book Publishing Industry In Turkey

General Characteristics	Structural Tendencies and Recent Trends	Strategies / Goals of Companies
• Not as an integral branch of culture industries • Appearance of industrialization trends after mid-1990s especially, however, there are serious impediments on the way to industrial development • Fragile structure in the period of adverse economic conditions • The turnovers (capital circulated in and invested to the market) still remain insufficient to foster industrial development • Scanty amount of capital investments from other sectors of economy and foreign enterprises • Smaller volume of the market (than U.S., Germany, UK, France, Spain, Italy and many other European countries) through sales • Low level of sales which are constrained by domestic market; and reader interest, and consumer income spared for book consumption • A highly competitive market structure • High numbers of publishers, which are mostly small-scaled companies consisting of individual companies and limited corporations and non-institutionalized orgn. structure • Content production remains limited; Dominancy of domestic repertoire • Dominancy of commercial capital and family management-ownership • Title production sharply increased but still remain incomparable with the title production in developed book industries; mostly paperback editions; hardcover editions are rarely seen • Low levels of profitability and High levels of demand uncertainty • Publishers' fail to overcome demand uncertainty, to create new mass of readers and new genres due to weak financial strength • Lack and non-standardization of norms-rules regulating book	• Inside the global trends for book publishing • Majors increasingly strengthen their market position and sales • Increasing but still non-activated interest of major foreign book publishing companies to the Turkish book market • Entrance of banking and media capital • Developments in the organization of book production process • Increasing specialization in professions related with book publishing • Principles and rules regulating the book business are smoothly established • High levels of entrances to the book market and quits as well • Newspapers started to play a more important role in the advertisement of books, i.e. Radikal, Cumhuriyet, Sabah, Yeni Şafak, Dünya	• Attempts to create a bestseller market, especially through bestseller novel genre and cheap book campaigns • Majors' strategy: strengthening market position, diversification in title production • Smalls' strategy: to stay in a standby position in the market and produce titles in limited amounts • Horizontal integration linking different lines of book business (production, distribution, marketing and advertising) • Effective utilization of new technologies and media channels for the promotion of books (newspapers, TVs, Internet etc.) by majors • Almost no joint ventures, firm acquisitions, strategic alliances • Increasing focus on copyright protection but continuing problems • New formats are introduced to a certain extent: audio books, DVD books, sound books (i.e. by Epsilon Publ.)

business		
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Table 3. Continued

• Lack of efficient nationwide distribution and marketing system • Commercial secrecy is a norm: Sales and activities of publishing companies are out-recorded • Piracy as a on capital accumulation processes • Lack of state subsidies and reluctance to enforce strict copyright protection system • State's control on the field of school book publishing through National Ministry of Education		
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3.2.) The Structure of Turkish Book Publishing Market

3.2.1.) Panorama of Publications

It should be noted that one of the most notable characteristic of the Turkish book publishing market is the dominancy of domestic repertoire, which has been a major characteristic of the book publishing market since its emergence in the early 20th century. The Figures 3 and 4 below reflect this situation.

The share of publications in other languages is 5% and reference books are mostly preferred in this field. Obviously, literature books cover almost all translations. While the share of translations in literature books exceeds 40% in some developed book publishing industries, it remains on a 20% average in Turkey. The dominancy of domestic repertoire may be depended on the financial strength of the publishers in the Turkish book market because of the fact that, a translation meant additional costs of production which can not be afforded by many small-scaled publishers⁶³.

⁶³ In developed book industries, book publishers have the greatest range of rights and for many of the larger publishers, rights sales are a significant source of income. In terms of rights sales, the major source of income for books is probably foreign or translation rights. This is the subsidiary right most commonly traded. There are many literary agents in the market who represent publishers (and occasionally authors) and handle this type of rights sale in addition to publishers who have their own rights departments.

Figures 3 and 4. Number of Publications In Languages (2003) and Translated Titles

<u>Language of Publications</u>	<u>Number of Publications</u>
Turkish	18,000
English	1,080
German	126
Italy	33

<u>Years</u>	<u>Number of Translated Books</u>	<u>Its Share In</u>
<u>Total</u>		
2001	2805	%20.5
2002	2936	%17.9
2003	3606	%18.5

Source: TPA Website, <http://www.turkyaybir.org.tr/yayinprofil.html>

As noted previously, total number of published titles has reached to 21,000 by 2004, ranging from fiction to non-fiction titles in adult and juvenile categories. The distribution of published titles in subjects is represented below:

Figure.5. Number of Publications In Subjects (2003)

General Subjects	403
Philosophy, parapsychology psychology	649
Religious	1.590
Social Sciences and Behavioral Sciences	5.353
Language	632
Natural Sciences and Mathematics	528
Technology(Applied Sciences)	1.860
Arts(Fine Arts)	731
Literature	5.989
Geography and History	1.472
Total (Classified)	19.207
Unclassified Material	344
Total Number of Books	19.551

As one of the most important characteristics of the Turkish book market, the dominance of non-fiction adult titles—including school books, reference books, STM books, religious books⁶⁴—is apparent by 70% of total published titles. Fiction books including novels, stories, and poets share 30% of the total number of published titles. This situation is one of the distinguishing characteristics of the Turkish book market from developed book industries in the West where fiction books is the largest sector of the book industry. However, it should be noted that market share of literature books have increased after 2000s and there is an upward trend in this sector especially through sales⁶⁵. An important increase (23% in 2004) in the number of publications in novel and story genres was witnessed in 2004. During interviews, market specialists mentioned that memoirs, autobiographies, and reference books are still sold on a higher level than other genres, however, novel genre gets the highest share through bestsellers in the Turkish book market. In these respects, it can be said that there is an increasing reader interest to bestseller novel titles. After 2000s, it was witnessed that publishers attempt to manipulate book sales through this genre and to maximize their profits in this unsaturated market. The structure of bestseller market and activities of book publishing companies in this field will be elaborated in the next sections. However, it should be specifically noted that publishing companies in the Turkish book market have failed to manipulate book sales until recent years, through creation of popular genres and new mass of readers in this field. For example, detective and fear stories—that have always been an important bestseller genre in the West—have recently become popular in the Turkish book market⁶⁶. In sum, it can be said that number of titles have increased significantly and this can be evaluated as an important development for the diversity of subjects and interests.

⁶⁴ Non-fiction books can be about any subject: Genres in this division are such as how-to books, science books, history books, biographies, autobiographies and much more.

⁶⁵ In this field of publishing, one important trend is the sharp decrease in the total number of poetry books both published and sold

⁶⁶ It should be noted that detective story books had actually been popular in 1950s and 1960s and Çağlayan Publications had recorded serious bestseller successes through detective stories of Kemal Tahir's Mike Hammer series. During this period, many publishing companies were inspired from such a development and published many titles in this genre. As a recent trend, titles in this category have increased in the Turkish book publishing market.

3.2.2. Major Sectors in the Turkish Book Market

Although a coherent classification of the sectors of Turkish book market is still difficult, nevertheless, it is possible to analyze segments of the Turkish book market into three categories: the first one is the so called “cultural book publishing” (fiction and non-fiction books: novels, stories, reference books), the second is the “education book publishing” (school textbooks, supplementary books, foreign language learning books-FLL) and the third one is the “science-technical-medical (STM) book publishing”⁶⁷. It should be crucially pointed out that a smooth development in market segmentation and diversification was witnessed after 1990s in the Turkish market. According to the Chairman of Turkish Publishers Association, Metin Celal, value of different segments in the Turkish book market is predicted as such:

“Total value produced in the book publishing market is worth about \$350 millions. Within this total, the cultural books sector is worth about \$75-80 millions; school books—the biggest market—is worth about \$150 millions; import book market is worth about \$30 millions ; child book market is worth about \$40 million and university lecture books market is worth \$40 millions.”

It is estimated by the Booksellers Association that the cultural books market still remains below much lower than school books market by about 10-15 of total sales. The major field of book publishing in titles and publishing companies operating in is the “cultural book publishing” including fiction and non-fiction books in adult and juvenile categories. The cultural books market is also the source of bestseller market sales. Bestseller popular novel genre, political fiction books, autobiographies,

⁶⁷ See www.turkyaybir.org.tr for the general categories in the Turkish book market. A very different categorization of the fields of book publishing is seen in Turkey when compared to developed book industries. About the U.S. book industry, BISG utilized 9 distinct book categories: (1) trade (adult and juvenile, fiction and nonfiction; both issued in hardcover and paperback versions); (2) mass market paperback (fiction and nonfiction); (3) book clubs (fiction and nonfiction; hardcover and paperback); (4) mail order books (fiction and nonfiction; hardcover and paperback); (5) religious (mainly nonfiction; hardcover and paperback); (6) professional (business, law, scientific, technical, and medical (STM); all nonfiction; hardcover and paperback); (7) university press (almost entirely nonfiction; hardcover and paperback); (8) ELHI (elementary and high school textbooks, related readers, et .; fiction and nonfiction; hardcover and paperback); and (9) college (textbooks, related readers, etc.; fiction and nonfiction; hardcover and paperback).

memoirs, popular history narratives, reference books can be included in this field of publishing. These books are mostly in the subjects such as love, daily life, and life stories of famous figures, success in business life, healthy life, religion, conspiracy theory, and nationalism. This sector has increased its market share as a result of recent trends through lately but increasingly popularized genres such as detective stories crime stories, fear stories, political fiction books, popular history narrations; and juvenile-child books.

Education books' publishing is the largest market (about 50-60 percent of total sales) in Turkey. The TPA states three sub-divisions in the education books sector: lecture books, pre-school books, and reference books. State controls and regulates the field of educational books publishing through the National Ministry of Education and awards contract with private publishing companies who offers the lowest tender for the primary school books. For the year of 2005, 62 million school books were bought from private companies in this field and 44 million books published by The Ministry of Education Directorate of Publications, and totally 106 million books were delivered free for payment to the primary school students. Books for high school students are published by private companies but also by the National Ministry of Education, which also fix prices. Furthermore, Open-University books are published by the Ministry. Furthermore, there are many private companies activate in this sector to meet demands for supplementary lecture books, college books, and preparatory books for various exams.

The STM is an important field of book publishing meeting special needs and interests in such fields as economy-management, business, law, scientific, technical, and medical. The books in this category are highly specialized and costly produced books for the professionals and the size of the publisher matters in this category. Many small and large scale publishing companies—Nobel, Alfa, Beta, and Serhat Publishing may be given as exemplary— produce titles in this sector. It should be noted that STM publishing appears as a separate industry in the highly developed book industries (i.e. U.S., U.K., and Germany) and profit margins are higher than other fields of book publishing. Therefore, larger publishing houses dominate this niche market as scale matters for these costly titles. However, such a situation can

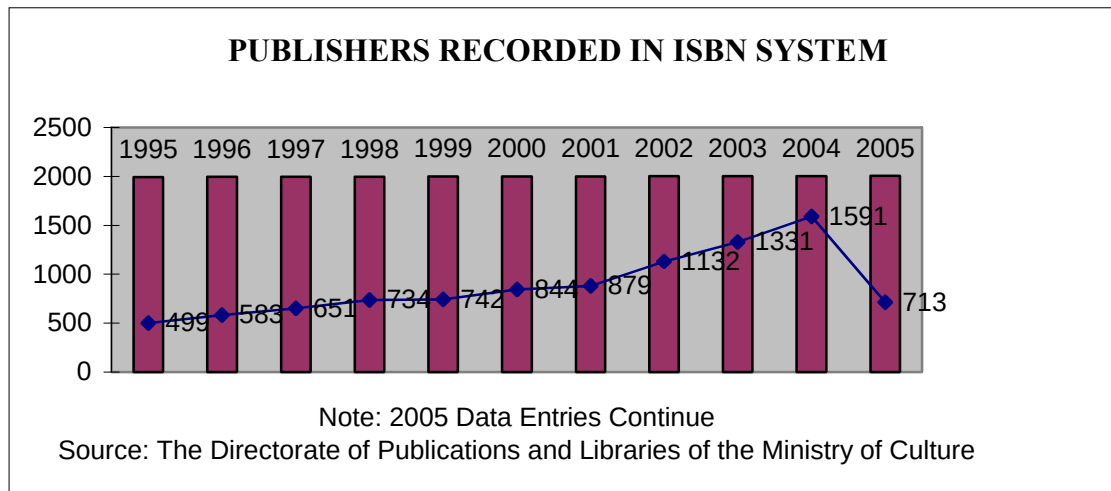
not be seen in the Turkish book market and there is a huge amount of small and major companies activating in this sector⁶⁸.

To conclude, it can be said that although there are ongoing problems to manipulate sales and create new mass of readers towards a growth in the volume of the market, growth trend in both the title production and market segmentation accompanied with increasing number of publishing companies in these sectors can be evaluated as important developments on the way towards industrialization. In the following section, analysis of the Turkish book market will be carried through representing the general panorama of book publishing companies.

3.2.3.) Panorama of Publishers in the Turkish Book Market

During the last decade, the most important development in the Turkish book market has been a sharp increase in the number of publishing companies that enter to book publishing business. The Figure 6 below represents this situation:

Figure 6. Number of Publishers Recorded In ISBN System (In Years)



Since each publishing firm has to take an ISBN (International Serial Book Number) for the books they published; publishers recorded at ISBN system approximately indicate the number of publishers activating in the book publishing market. As seen

⁶⁸ See <http://www.turkyaybir.org.tr/index.asp?sayfa=yayincilar&dil=tr&kategori=1>, for publishing companies activating in this sector.

above, a more than 3 times increase—from 499 in 1995 to 1591 in 2004—has been recorded in the number of publishing companies in the Turkish book market. Between 1995 and 2004, it is seen that an average of more than 100 publishers enters the market. Especially with the onset of 2000s, although an important number of companies quitted from the Turkish book market as a result of 2001 economic crisis⁶⁹, there has been a remarkable increase in the number of publishers entering to the book market. This situation can be depended two main reasons: the first, low costs of entry to book publishing business as a general trend thanks to technological developments, and the second, no barriers for new entrances to the Turkish book market. Obviously, as mentioned in the introduction of this study, book publishing has always been more prestigious field of cultural production and many volunteers from different ages and professions enter to the book market without profit motives⁷⁰.

On the other side, a small percentage of those publishing companies actively contribute to the total number of titles. As a matter of fact, the major characteristic of book publishing market in Turkey is the dominancy of small-scaled companies by 90%. It can be said that 350–400 publishers lead publishing activities and produce new titles within a tempo. There are about 400 publishing companies producing 10 titles at average in a year and 262 of them are members of Turkish Publishers Association that represents leading book publishing companies in its body⁷¹. The Figure 7 represents this situation very well:

⁶⁹ During the market research, no any information could be found about the entrances and quits from the market in years. However, during interviews, executives of TPA mentioned that estimated average lifetime of the publishers is about 20 years. It should be noted that many book publishing companies—especially small ones—were affected by the adverse economic conditions as a result of their weak financial strength and quitted the market. Actually, this is one of the structural characteristics of the publishing companies in the Turkish book market.

⁷⁰ According to Semih Sökmen (Metis Publications), “there are 350-400 publishers operating in the market with a certain tempo. This phenomenon can not be seen in other countries. I believe that this is a richness that many people did not realize. They claim that if the works are carried on “tradesman logic”, the industrialization could not be realized. This obviously means that those 300-400 should be eliminated and only 10 or 15 major publishers should dominate the market. However, when we look at the number of titles published, we see that those small publishers contribute a lot. This also meant that diversity increases. Moreover, as a result of technological developments, procedures and costs have decreased in book publishing. 2 or 3 friends could easily publish books and become publisher. There should be non-profit publishers, too. This the nature of the work. Therefore, I believe that monopolization is hardly seen in this field”.

⁷¹ Visit [www. http://www.turkyaybir.org.tr/](http://www.turkyaybir.org.tr/), for the list of TPA’s members

Figure.7. First 10 Publishers by the Book Titles (Currently In Print)

<u>PUBLISHERS</u>	<u>NUMBER OF TITLES</u>
1. Alfa Publishing Distributions Ltd.....	1673 books
2. İnkılap Publishing.....	1337 books
3. Can Publishing Ltd.....	1288 books
4. Bilgi Publishing Ltd.....	1199 books
5. Yapı Kredi Publishing Co.	1107 books
6. Nobel Medical Publishing.....	971 books
7. Timaş Publishing.....	944 books
8. Hikmet Publishing.....	939 books
9. Beta Publishing Distribution Ltd.	915 books
10. Remzi Publishing.....	884 books
1000 titles and over:	5 publishers
500-1000 titles:	19 publishers
250-500 titles:	52 publishers
100-250 titles:	174 publishers
50-100 titles:	211 publishers
10-50 titles:	527 publishers
4-10 titles:	237 publishers
1-3 titles:	229 publishers

Note: Number of publishers that only produced 1 title is 110

Source: The Book Catalogue of TÜRDAV March-April 2005

As seen above, a small portion of the book publishing companies in the Turkish market regularly produces titles. Actually, small publishing companies produce titles less than 10 in a year and stay in a “standby position” hoping to find an author for a new production and hit a bestseller success in the long term.

The data about the number of publishing companies in the Turkish book market and their respective annual title production bring the question about the level of competition between small and major publishing houses. On the one hand, it should be noted that there is a huge amount of publishing companies activating in the book market and an important amount of total published titles is still produced by these small scale companies. In this sense, one can say that Turkish book publishing market is highly competitive. On the other hand, these small companies are in a more disadvantageous position in the market because they both suffer from producing

titles actively and promoting them through certain marketing channels due to their weak financial strength. Since there is scanty data about the actual sales in the Turkish book market, there are two important tools to check the level of competition between small and major publishers and concentration tendencies through sales. The first tool is the number of banderoles purchased by the publishing companies. The Figure 8 represents the banderole demands by the leading companies in the Turkish book market in years⁷².

Figure 8. Banderol Demands of Publishers Between 1999 and 2005

Ministry of National Education:	130.187.205 (1999-2005)
Altın Publishing Co.:	10.963.000 (2002-2005)
Gendaş Publishing Co.:	10.573.487 (2001-2005)
Timaş Publishing Co.:	6.960.209 (2001-2005)
Alfa Publishing Distributions Ltd.:	6.275.769
Arkadaş Publishing Ltd.:	4.479.644 (1999-2005)
İnkılap Bookstore Publishing Co.:	4.037.042 (2001-2005)
Remzi Publishing Co.:	3.925.113
Yapı Kredi Publishing Co.:	3.651.067
Epsilon Publishing Ltd.:	3.483.380 (2001-2005)
Doğan Publishing:	3.443.311
Alkım Publishing:	2.663.786 (2002-2005)
Bilgi Publishing:	2.507.371 (2001-2005)
İletişim Publication Co.:	2.082.317
Nobel Medical Publishing:	2.031.858 (2002-2005)
Ministry of Culture Publications:	1.739.085
Hikmet Publishing:	1.697.050 (2002-2005)
Dost Bookstore Publishing:	1.173.179 (1999-2005)
İmge Publishing:	1.057.034 (2000-2005)
Beta Publishing Distribution Ltd.:	1.049.543
Ayrıntı Publications:	713.820 (2002-2005)
Metis Publications Ltd.:	395.830 (2001-2005)
Can Publishing Ltd.:	280.600 (2002-2005)
Sosyal Publishing:	204.910 (2001-2005)

⁷² As there is no possibility to search for the banderole demands of the whole publishers operating in the market and there is no study or database of Directory of Copyrights and Turkish Publishers Association, there had to be elimination of which is done by the author according to the results seen in Figure 7.

Figure 8 Continued

	2004	2005 (first 6 months)
İnkılap Publishing:	1.854.483	689.534
Timaş Publishing:	1.837.520	3.661.620
Yapı Kredi Publishing Co.:	1.009.554	409.400
Doğan Publishing:	893.420	439.501
Remzi Publishing:	866.653	344.231
Altın Publishing:	861.450	1.061.450
Bilgi Publishing:	458.200	285.391
Hikmet Publishing:	402.750	108.550
İletişim Publications:	396.842	132.323
Beta Publishing:	180.025	335.550
Can Publishing Ltd.:	49.500	16.500

According to the figure above, it is hard to talk about a tendency towards concentration in the Turkish book market. Nevertheless, it can be said there are significant differences between small and major publishing companies in the market. During interviews, it was asked to the publishers whether there are tendencies for such concentration in the book publishing market. While major book publishing companies certainly denied the existence of such tendencies and mostly complain about intensive competition, most of the small scaled book publishing companies claimed that major book publishing companies with their strong financial capacity has the advantage of marketing & advertising and distribution of books in the market.

Another tool to check concentration tendencies through sales in the book market is a cross-check research of major bookstore chains and online bookstores. During the cross-check study, bookshelves of major bookstores and bookstore chains (Remzi, D&R, İnkılap, Pandora, Alkim, Dost, İmge), their sale lists and online top seller booklists were analyzed. As a result, it was witnessed that major publishers dominate the bestseller lists and front shelves of major bookstores though works of their well-known star-authors⁷³. As noted previously, novels and other kinds of fiction books

⁷³ Many online bookstores announce their bestseller or top seller lists weekly, monthly and at the end of year. According to IdeeFixe's documentation, most successful companies at sales are Yapı Kredi,

cover almost all sales in bestseller book market; and the domination of major companies through sales is the most apparent in literature books. For example, Çetin Tüzüner (The General Director of TPA) lists the top ten bestseller books according to the ISBN data: *Da Vinci Şifresi* (Dan Brown-Altın Publishing), *Melekler ve Şeytanlar* (Dan Brown, Altın Publishing), *Dijital Kale* (Dan Brown- ODTÜ Geliştirme Vakfı Yayıncılık), *Efendi* (Soner Yalçın- Doğan Publishing), *2012: Marduk'la Randevu* (Burak Eldem- İnkılâp Publishing), *On Bir Dakika* (Paulo Coelho- Can Publications), *İstanbul: Hatıralar ve Şehir* (Orhan Pamuk-Yapı Kredi Publications), *İçimizde Bir Yer* (Ahmet Altan- Alkım Publishing), *Uzaktan Aşk* (Amin Maalouf- Yapı Kredi Publications), *Gece Sesleri* (Ayşe Kulin- Remzi Publishing)⁷⁴.

Tuğrul Paşaoğlu, from TPA and the owner of İletişim Publications, accepts the existence of such a tendency towards literature books and states that: “there are 21(it may be 20 or 22) publishers dominating the sales in the cultural books, with 88%” Further, total sales of those major book publishing companies in 17 metropolitan cities having a university exceed 90% of overall sales in the cultural books publishing in Turkey. Therefore, in this field, there is a TÜSİAD, namely.”

After 2000s, bestseller lists reflected that major publishers also recorded notable bestseller successes through increasing reader interest to political fiction books and popular history books. The most notable examples of bestseller books in conspiracy theory by 2004 are Orkun Uçar and Burak Turna’s “Metal Fırtına”, “Metal Fırtına 2/Kurtuluş”, Aydoğan Vatandaş’s “Armagedon”, Mahir Kaynak and Ö.Lütfi Mete’s “Derin Devlet/Tanımlanamayan Güç”(Timaş Publications), Soner Yalçın’s “Reis”, “Bay Pipo” and “Efendi: Beyaz Türklerin Büyük Sırrı”(Doğan Publishing). After great success of Timaş Publications, number of published books in this genre has

Doğan, Altın, Can, İnkılâp, İthaki, İletişim, Metis, Remzi, and Alfa. See www.ideefixe.com, for further information.

⁷⁴ See also, <http://www.kitapgazetesi.com/2004-1.htm>.

sharply increased⁷⁵. Popular history narratives have also become popular after 2000s and bestseller books in this genre by 2004 are Turgut Özakman's "Şu Çılgın Türkler"⁷⁶ (Bilgi Publishing), R. Şükrü Apuhan's "Çanakkale Geçilmez/ Bir Destanın Öyküsü" (Timaş Publishing)⁷⁷.

Furthermore, this situation was concurred by almost all interviewees in another way, too. Almost all small publishers complain about that distributing companies give priority to distribute major publishers' books; and selling orders are mostly given by distributing companies instead of publishers or bookstores. Therefore, similar titles are seen on the shelves of different bookstores, especially published by majors, written by a famous or popular author and potential bestsellers are on the front shelves. In both distribution and marketing processes of published titles, "unfair competition" is apparent in the Turkish book market.

In conclusion, it should firstly noted that in a competitive market structure and tendencies towards concentration through sales, major and small publishing companies try to overcome preconditions of profit maximization and capital accumulation in the Turkish book publishing industry. Low levels of profitability due to low level of sales and reader interest⁷⁸ are still serious impediments on profit-maximization and capital accumulation, which depends on the level of print runs and creation of large and new mass of readers. Furthermore, low level of turnovers or volume of the book business and weak financial structure of book publishing companies bring serious impediments on "demand manipulation" and "demand management" to overcome "demand uncertainty" which is actually a major issue for all culture industries. In the following section, analysis of the structure of the Turkish

⁷⁵ It can be said that other major book publishing companies-such as İnkılap, Altın, etc.- especially try to manipulate sales through serious promotion costs for books in this genre which proved its success in last years.

⁷⁶ For a discussion on this genre, see Yeni Şafak Kitap, 31/01/2006, pp.16-19.

⁷⁷ It was witnessed that publications of similar titles increased in recent years and many publishers started to publish books on the conspiracy theory and popular history in response to the increasing nationalist sentiments, due to the fact that books on these topics are potential bestsellers. See Ömer Türkeş's writings in Radikal Kitap.

⁷⁸ For reading statistics according to countries, see <http://www.turkstudent.net/art/36>.

book market will be carried on the position of major and small publishing companies.

3.2.3.1. Major Publishing Companies

After such a brief discussion on both level of competition between small and major publishing companies and concentration tendencies in the Turkish book market, in this section, a panorama of major private publishing companies in the Turkish book market will be figured out. However, before moving on such an analysis, it should be noted government is the largest publishing house in Turkey. The Ministry of Education Directorate of Publications, The Ministry of Culture Directorate of Publications and their distributions and sales taken together must be contributing the largest share of the publishing industry in the country both in terms of volume (number of titles published and copies printed per title) and value of production. Both the directorates under the Ministry of Culture and the Ministry of Education reach a wide range of readers through their own distribution and sale mechanisms: the former through “DÖŞİM” shops located throughout Turkey and the latter through offices established in major cities throughout Turkey. It should be also noted that both directorates play a crucial role through their contribution to the total number of published titles and provide books, which are sold for cheaper prices to readers having low income level. The dominant position of the government institutions is represented in Figure 9:

Figure.9. Dominant Position of State Publications: First 10 Publishers In Title Production (01.01.1987- 01.10.2002)

PUBLISHER	NUMBER OF PUBLICATIONS
PRIME MINISTRY	3164
MINISTRY OF CULTURE	2560
NATIONAL MINISTRY OF EDUCATION	2125
İNKILAP PUBLISHING	1890
ATATÜRK CULTURE, LANGUAGE AND HISTORY HIGH INSTITUTION	1489
YAPI KREDİ PUBLISHING CO.	1457
ALFA PUBLISHING DISTRIBUTIONS LTD.	1377
CAN PUBLISHING	1353
BETA PUBLISHING DISTRIBUTION LTD.	1123
SERHAT PUBLISHING CO.	1070

Source: The Ministry of Culture Directory of Libraries ISBN Agent, “Publishers’ Profile of Turkey”⁷⁹

⁷⁹ See Appendix A for a general profile of publishers in Turkey.

On the other hand, the role of government institutions is severally criticized by major publishing companies in the Turkish book market. During interviews, almost all major publishers particularly mentioned that publishing activities of government institutions indicate an obstacle for them on profit maximization and capital accumulation. Major publishers also criticize publishing activities of public universities due to same reasons. The TPA agrees with major publishers and criticizes the position of government institutions and public universities in the Turkish book market. During the interview with the directory board of TPA, Tuğrul Paşaoğlu and Metin Celal evaluates this situation as such:

“The publishing activities of state and its universities in the book publishing market block the money that will enter into the book publishing market and constitutes an obstacle in capital investments to the market. Therefore, we could not speak about the monopolization, capital concentration, and industrialization as long as state’s role in publishing did not cease.”

After such considerations, the most important point to be mentioned about the major private companies in the Turkish market is that there is not only an intensive competition between majors and small companies but also a high level of competition between major labels to strengthen market position. As a matter of fact, there are about a handful number of companies in the Turkish book market, which can be qualified as “majors”. This qualification can be made through number of published titles since their foundation date, number of titles currently in print and average number of titles they published in each year; their recent bestseller successes; sale lists of major bookstore chains; investments in the Turkish book market in various sectors and impressions of the author during interviews made with these companies, executors of TPA and specialists of the Turkish book market. However, it should be noted that since there is no data about sales and financial structure about these companies, it is difficult to make such a qualification. Nevertheless, for the sake of simplicity and in the light of criteria mentioned above, a handful of major companies can be figured out in the Table 4 as such:

Table 4. Major Publishing Companies in the Turkish Book Market

Company	Historical background	Main business(s) and the others	Key statistics
İnkılap	Foundation date: 1927: İnkılap Bookstore Founder: Garbis Fikri Other: 1961: merging Aka bookstore: new name İnkılap Bookstore & Publishing Co. Family Management and Ownership: Managed by 3rd generation: Arman Fikri's son Nazar Fikri (after 1971), Arman Fikri (since 1996)	Book Publishing: activities in all fields of publishing: primary school books publishing (in earlier period), cultural books publishing, STM publishing Bookselling: increasing investments after 2000s to establish a bookstore chain: bookstores in major supermarkets in major cities such as Carrefour (İstanbul, Ankara, İzmir, İzmit), Kipa (İzmir: Çiğli, Bornova, Balçova), Migros (İstanbul-Beylikdüzü) and Metrocity shopping center (İstanbul-Levent) No another brand and company (dealt with distribution of school books for a short period in 1980s)	More than 20,000 titles in 40 different categories since 1927 About 1500 books currently in print An average of 120 books each year
Remzi	Foundation date: 1927 Founder: Remzi Bengi Family Management and Ownership: Managed by 3rd generation: Remzi Bengi's son in law Erol Erduran (after 1965) and his sons Ömer and Ahmet Erduran	Book Publishing: activities in different fields of publishing: publishing translated works of world classics in earlier period(250 titles), currently publishing more in fiction and non-fiction books Bookselling: Increasing investments after 1994; the largest bookstore chain in Turkey: in supermarkets and shopping centers in major cities such as Akmerkez (1994: İstanbul: Levent), Rumeli (1995: İstanbul: Nişantaşı), Carrefour (1998: İstanbul: İçerenköy), Mayadrom (1998: İstanbul: Akatlar), Profilo (2000: İstanbul: Mecidiyeköy), Suadiye (2001: İstanbul), Armada (2002: Ankara), Konak Pier (2002: İzmir: Konak), Lura (2004: Antalya); Sale of multimedia products and coffeehouses in most bookstores No another brand and company (dealt with distribution of school books for a short period in 1980s)	More than 4,000 titles since 1927 About 1000 books are currently in print An average of 120 books in a year
Bilgi	Foundation Date: 1965 Founder and Owner: A. Tevfik Küflü Family management and ownership: Bilgi Küflü	Book Publishing: activities in fiction and non-fiction, reference books of all types, children books. Bookselling: Bilgi Bookstore and sale of stationeries, music and videos, software programs(Agency of Microsoft products) Distributing Company: Bilgi Distributions since 1972	More than 4,200 titles since 1965 About 1100 books currently in print

Table 4 Continued

Altın	Foundation Date: 1956 Founders and Owners: Fetih Ul, Turhan Bozkurt, Aziz Bozkurt	Book Publishing: Specialized in bestseller fiction books (bestseller novel genre); sub-divisions: cultural books and school books One of the leading companies in bestseller fiction market	More than 1,300 titles One of the major title producers
Timaş	Foundation:1982	Book Publishing: A highly wide range of titles in almost all subjects Owning distribution, marketing and printing brands. The company has its own website for e-sales of its books and publishes a magazine, named “Okuryazar”, to promote its books and authors. The biggest company in religious publishing (others are Kitsan, Nesil, Ötüken, Hikmet Neşriyat).	More than 1500 titles, about 900 currently in print Especially religious and conspiracy theory books (political fiction) are the specific fields of interest and the company succeeded to create a special mass of readers in these fields, through its bestseller titles.
Doğan	Foundation Date: 1999: Gathering Milliyet, Hürriyet, AD, Simavi, Khalkedon, Bosphorus, and Golden Horn Publishing companies under one single name: Doğan Publishing Co.	Book Publishing: An autonomous division of Turkey’s biggest media group(content-service provider): Doğan Media Group Specialized in adult fiction(60%: :mostly novels) and non-fiction book publishing Other publishing companies: Doğan Egmont Publishing in juvenile books publishing: joint-venture with Egmont International(Europe’s and Asia’s leader in juvenile books publishing group with 150 companies in 30 countries) ; also, acquired licenses of books and magazines from various well-known publishers, such as Walt Disney, Warner Bros, BBC, Mattel, Harper Collins, and Panini Bookselling: 40 D&R stores: sale of multimedia products Other Businesses: Media(Press as Main Business; 8 daily newspapers; Turkish Daily News(recently), 3 national, 1 international and 2 cable TV channels, 3 radio stations,23 magazines Huge investments in energy, heavy industry, tourism, trade, insurance, tourism sectors Among the biggest five major holding groups in the world: Consolidated income of Doğan Media Group is \$ 5,7 billion Joint ventures with the world’s leading media groups, such as AOL-Time Warner, (CNN, Warner Books) , the Universal Music Group, Burda Rizzoli	More than 1000 odd titles so far Increasing market share after 2001: 100 new titles, 400 reprints: published and over 1 million books sold in 2005: 30% share of bestseller market book sales Doğan Egmont Publishing: 20 juvenile books and 6 juvenile magazines each month. The leader, with its 40% market share in child- juvenile book market and 25% share in illustrated books, sold in more than 1,000 bookselling points including shops such as D&R, Toys’R Us, and supermarkets

Table 4 Continued

Yapı Kredi	Foundation Date: Yapı Kredi Art, Culture and Publishing in 1944 Yapı Kredi Publications (YKY) in 1992 Founder: Kazım Taşkent Acquired by Koç Group in 2005	Book Publishing: Increasing investments in last decade: Specialized in fiction and non-fiction books, prestige books Sub-Divisions: Cogito, Delta, Kazım Taşkent classics Bookselling: Only selling own books in special shops owned by the company Sponsoring various artistic and cultural activities(festivals, art galleries, cinema, theatre) Banking: Main Business: One of the leading banking company in Turkey: strong financial structure	More than 2000 books since 1944 More than 1200 books currently in print One of the leading title producer in the Turkish book market: 200 books in each year More than 1,000.000 book sales in a year
İletişim	Foundation Date: 1982 Founder: Murat Belge Owner and Board Chairman: Tuğrul Paşaoğlu	Book Publishing: Specialized in Encyclopedias (five important works) and periodicals (Birikim, Toplum ve Bilim) publishing in early years; since 1988, concentrated on book publishing especially in the field of reference books; increasing diversity after 2000s through publications in fiction and non-fiction genres; novels, special series to meet the diverse interest of readers Distribution and Marketing Company: İLPA	More than 1100 titles so far Increasing market share through publishing in different fields of publishing The leader in reference books publishing
Alfa	Foundation Date: 1990 Founder and Owner: Faruk Bayrak (MP Şanlıurfa-AKP) Bayrak Matbaacılık (1985), partnership with Evrim; founded Alfa Publishing Distributions Ltd.(1990)	Book Publishing: Activities in all fields of book publishing Other Publishing Companies: Everest (one of the majors in Turkish literature), Kapı, Artemis, Alfa Aktüel Bookstore Publishing Distributing Bookselling, Printing:: Alfa Distribution Company, Alfa Aktüel bookstores, Melissa Printing Company (1992)	Biggest company in the Turkish book publishing market (excluding Doğan Media Group) More than 2000 books in 15 years; about 1500 books currently in print
Can	Foundation Date: 1981 Founder and Owner: Erdal Öz	Book Publishing: Specialized in fiction books (mostly classic and contemporary novels, poetry, detective stories) No other field of business	More than 2000 titles so far Hit the bestseller market through publishing bestseller novel genre

As seen in the chart above, the capital structure of major companies is mostly disintegrated, which is a distinguishing feature of the Turkish book market when compared to developed book industries in the West. There are only two companies owning another label in the market, namely Doğan Group and Alfa Group. Furthermore, all major companies are limited corporations or individual companies. As a matter of fact, this situation brings serious problems to analyze their capital structure in a coherent manner. As seen in the above figure, major companies can be classified according to their capital structure as such: one is owned by a banking company (Yapı Kredi); one is owned by the biggest media company in Turkey (Doğan Group) family companies owned and managed mostly by the members of same family (Remzi, İnkılap, Altın, Bilgi, Can); and individual companies (İletişim, Alfa, Timaş)⁸⁰. One of the most important characteristic of these major labels is that, apart from Yapı Kredi and Doğan Publications, their core business of majors is mainly book publishing. Some of them also activate in related sectors of book publishing, such as distributing and marketing of books. These are Remzi and İnkılap owning large bookstore chains; Alfa owning a printing company, bookstores and one of the largest distributing companies; İletişim owning a distributing and marketing company; and Bilgi, Timaş which owning a distribution company within their body. As an important trend, major book publishing companies increased their investments to these related sectors of book publishing after 1990s, as seen in the Table 4.

Apart from these major labels, there are also important (but smaller in scale) labels that activate in the Turkish book market⁸¹. These companies may be summarized as Metis, Ayrıntı, Alkım, İthaki, Gendaş, Epsilon, Dost, İmge, Arkadaş. Among these companies, Metis and Ayrıntı can be characterized as companies, which succeeded to create their special group of readers through publishing titles in special subjects. Alkım and Epsilon are the companies, which increased their share in the market thanks to works of well-known authors. Gendaş is an important company in the field of school books publishing and increased the diversity of its published titles in recent

⁸⁰ During interviews, publishers and TPA executives touched upon another division, albeit an implicit and interesting one, between Islamist publishers and non-Islamist publishers.

⁸¹ In the Turkish book market, as well as publications of other universities, there are three major publishing companies owned by universities are ODTÜ Publishing, Boğaziçi University Publishing and Bilgi University Publishing.

years. Dost, İmge and Arkadaş are founded in Ankara as a bookstore and later, they entered to book publishing business and increased their investments thanks to capital acquired from bookselling. For example, Dost Publishing acquires six bookstores and one distributing company within its body. In sum, all these companies compete to strengthen their market position and increase shares in book sales in the Turkish book publishing market.

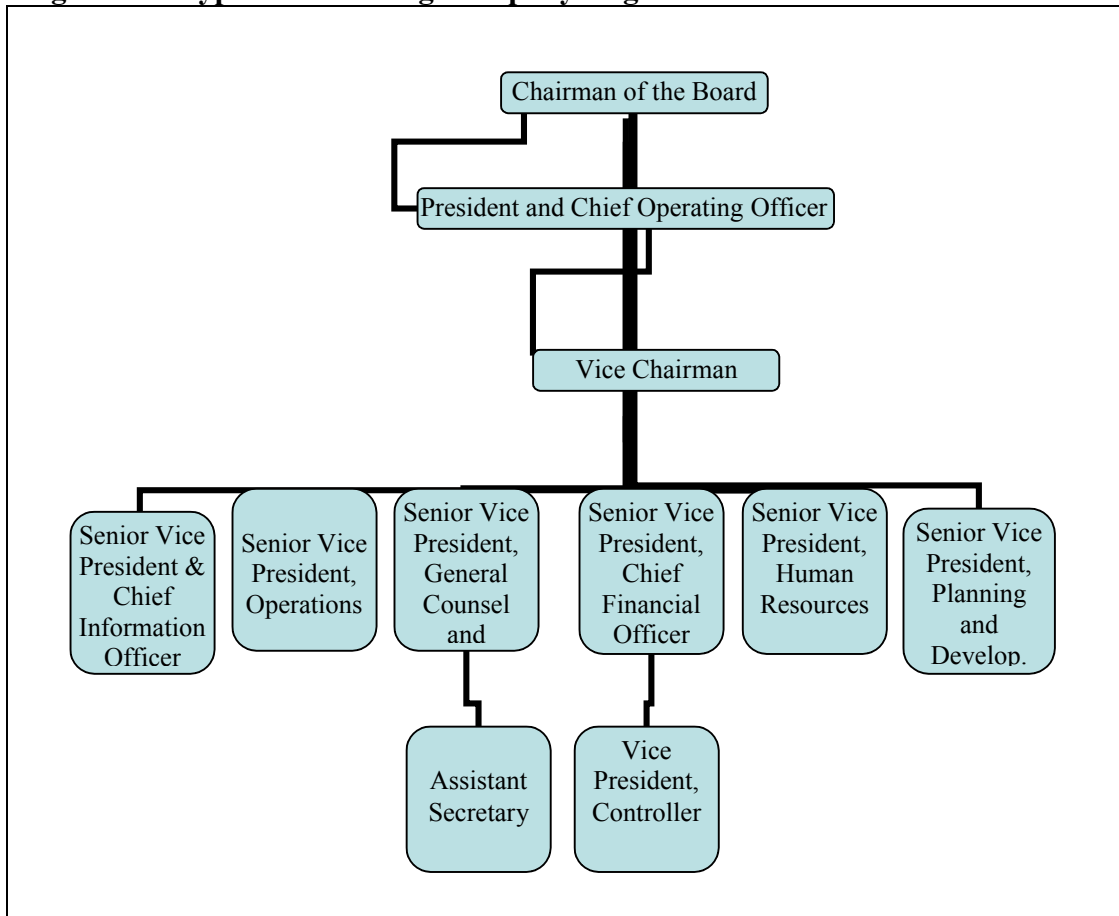
As noted previously, major international publishing companies have limited interest and investments in Turkish book market. As seen in the Table 4, there is no major label activating in the market as a subsidiary company of a major international book publishing company. There is only one joint-venture between Doğan and Egmond Publishing, named Doğan Egmond Publishing Co., which is also the only licensed company publishing all publications of Walt Disney—owned by a global player, Disney Books⁸².

One of the most important characteristics of the major domestic companies is the diversity of their field of interests though publishing titles in many different subjects. In this sense, it can be said that specialization has existed to a certain degree; however, they all aim to increase diversity of their publications, especially during recent years. As a most notable example, İletişim entered to the Turkish book market in the field of encyclopedia and then has become the largest company in the field of reference, research-study books, and nowadays, company increasingly added literature books to its book catalogue. As a matter of fact, in the light of recent increasing reader interest to literature books, all companies began to publish books in this field.

⁸² In addition, multinational companies such as Pearson and Oxford University Press in ELT books publishing (English language school-learning books) operates in the market. Pearson Education has a wide range of ELT and non ELT products including course books, dictionaries, readers, multimedia, teacher's resource materials and videos. Oxford University Press has been active in Turkey for over 25 years and in the light of the growing importance accorded to the Turkish market, *Oxford Yayıncılık Limited*, a foreign investment enterprise, was founded in 1994. As mentioned previously, reluctance of multinational media corporations' book publishing divisions to enter Turkish book publishing market is still persistent. High levels of piracy, market instability and low levels of consumer income and general welfare affected the continuation of this situation. However, it can be said that the first serious signs of foreign interest were seen by 2004. See, Muhsin Öztürk's article, "Kitabın Efendileri Türkiye'de" in *Aksiyon*, 2004, No.516, for recent developments in foreign publishers' interests to the Turkish book publishing market.

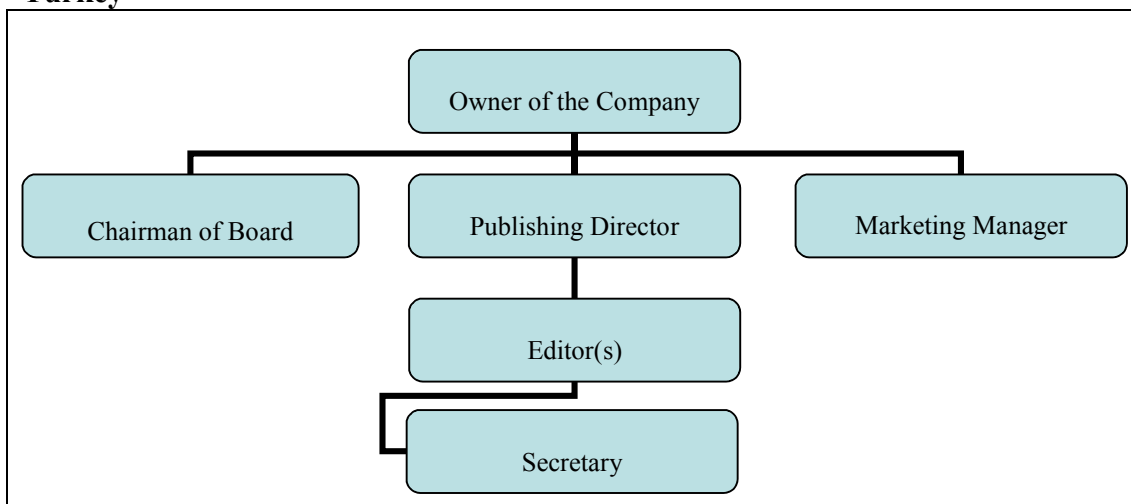
Another important characteristic of these companies that make them different from small companies is that they acquire a more institutionalized structure and employ staff in higher numbers through different departments. On the other hand, it should be noted that there are remarkable differences within them in the company management and organization, too. The most extensive institutionalization is actually seen in the Yapı Kredi Publishing Co. The organization scheme is as such: Yapı Kredi Art Culture Publishing Inc. is managed by General Directory and owned by Yapı Kredi Bank; publishing division is directed by Chief Editor; there are also subdivisions such as publishing coordinator, editors, magazines director, staffs responsible from public relations and copyrights; weekly publishing and monthly consulting boards. However, it can be said that the organizational structure of major book publishing companies in Turkey still reflect remarkable differences when compared to the examples in the West. As a matter of fact, this is the case for all book companies in the Turkish market, whether large or small in scale. The figures below represent typical organizational structure of book publishing company at average scale between the West and Turkey:

Figure. 10. Typical Publishing Company Organizational Structure In the West



Source: A. N. Greco; 1997: p. 82

Figure.11. Typical Book Publishing Company Organizational Structure in Turkey



Source: Prepared by the author of the thesis

As seen above, owner of book publishing company in Turkey is actively involved in the organizational structure of the company, takes part during production, and further processes, whether it is large or small in scale. In next sections, these differences will be evaluated in details but before that, a general panorama of small book publishing companies and the relation between major and small companies in the Turkish book market will be given in the following section.

3.2.3.2. Small Publishing Companies

The publishing firms in the private sector are also quite large in number and these are scattered throughout the country. However, majority of these are very small in operation and each one of these may not be producing more than a dozen titles in a year. Only a few (about 10%) of the publishing concerns in Turkey are reasonably large producing more than 50 titles annually and many are ill-equipped with proper infrastructures such as printing presses and distribution networks.

The position and function of the small book publishing companies in the Turkish book market is completely different than the small companies and independent labels in European and American book publishing markets. As noted previously, independent labels in these markets are mostly dependent on multinational media corporations, especially through providing distributing and marketing services for them. Furthermore, global book publishing companies increasingly control book publishing business through firm acquisitions and mergers. On the other side, majors acquire these small and independent companies by leaving their editorial structure autonomous. Small and independent companies in these markets play a crucial role in discovering new young authors, which are talented and promising for potential bestselling successes in the near future. As well, these independent companies function as a R&D (research and development) department of major conglomerates both to discover talented authors and create new genres, which are risky.

However, the role of small companies in the Turkish book market is completely different. In the Turkish book market, a huge amount of small book publishing companies stay in a standby position hoping to catch a bestseller success by a new author or just try to survive in the market and become a well-known publisher in long

terms. These small companies have to carry on their publishing activities without acquiring huge profits from book sales. They mostly publish titles in small print runs to guarantee possible profits and to prevent from possible commercial losses. This situation can be evaluated as a result of their weak financial strength to take the risk of costly projects. In this sense, it should be also noted that one of the most important characteristic of these small companies is the lack of an industrial vision or namely the dominance of “commercial logic”. They are mostly small enterprises and individual companies. Among them family ownership-management is dominant and a less institutionalized organizational structure is seen.

In the Turkish book market, small companies suffer from many problems, which are figured out during the field study. The first problem is that financially weak structure of the small companies. They strive to compete with majors and stay in the market especially during adverse economic conditions. In this sense, they mostly acquire a fragile capital structure. Not only during adverse economic conditions but also in conditions of low-levels of profitability, reader interest and general welfare level of readers; and finally high levels of demand uncertainty make it more difficult for these companies to stay in the market.

Furthermore, these companies are mostly affected by the problems in the organization of book publishing business. In the Turkish book market, delays in payments system have actually been a norm. As a result, delays in payments from distributing and bookselling companies, or late money returns from book sales bring difficulties for all small companies to make a budget, especially in the case of promotion and marketing of their books. As a matter of fact, the terms of payments may last up to 24 months, with a minimum 6 month term checks.

Finally and most importantly, level and conditions of competition determine the position of small publishing companies in the Turkish market, where intensive competition and increasing tendencies of concentration through sales are seen. One of the most important outcomes of such competition is the disadvantageous position in promoting their books because of the fact that it is only possible for major publishers to finance huge promotional costs for the creation of new star-authors and

catching bestseller successes. Other important outcome of such a competition is seen for small publishing companies in promoting, distributing and marketing their books. In the Turkish book market, book-order lists are mostly determined by distributing companies and bookshelves of bookstores are mostly consisted of major publishers' books. Kenan Kocatürk, the owner of Literatür Publishing and one of the chief directors in TPA, points out this situation as such: "offer lists for the new book titles are decided by the wish of distributing company itself (not by publishing or bookselling company) and as a result, books in similar items and subjects are represented on the shelves of bookstores". During interviews, almost all small book publishing companies complained about that "distributing companies do not prefer to order for the titles published by the small companies because they seem less profitable and risky (low sales, written by an unknown author) and, distribution companies do not deliver their books to the bookstores in time and their books remain in the warehouses for a long period".

During interviews, small publishers also focused on another problem that interests of distributing companies in book publishing business, especially major ones such as Alfa, bring an unfair situation in the distribution of their books. One of the owners of a small publishing company puts this situation as such: "Distribution companies should not have interests and investments in book publishing business and compete with me because they are already selling my books. I pay money to their services but they employ many tactics to sabotage my commercial success and healthy functioning of the trade in the market. How can they be objective in distribution of books, in such conditions of the market where commercial logic is dominant and competition is wild?" Similarly, sale of their books in bookstores, especially in major bookstore chains such as D&R, Remzi, İnkılap, is also problematic because bookselling companies spare little space for their books and mostly books of major companies are displayed in front shelves. In sum, it can be said that field of business activities of small book publishing companies is increasingly contracting and it becomes more difficult for them to stay in the market in such conditions of competition.

On the other side of picture, small publishers have an advantageous position in the Turkish position in that they can employ low-pricing tactic. Actually, this can be possible as such: they mostly employ workers in limited numbers; they mostly carry out business through outsourcing many services from different companies or university students (in editorial, translation, cover design works) by paying low wages or payments; promote their books through sending to the friends of owner of the publishing company in the media. To put it more correctly, they have to minimize the management costs required for a book company in order to stay in the market. However, employing staff in limited numbers also mean lack of institutionalization and departmentalization- that are very important to publish titles in different subjects and qualified and special editions, and carry their scale of business to a higher level.

This situation-- namely organization of book production and business, will be evaluated in next sections, however, it should be specifically noted that small publishers—which mostly produce titles in small numbers—are luckier than the major companies—which actively produce new titles within a certain tempo— since, as previously noted, the conditions of reaching huge number of book sales and so profits is absolutely difficult in the Turkish book market. These companies continue to exploit this advantage to stay in the market and carry on book publishing business through publishing titles in small numbers within a year, abandoning possible commercial losses and risks, and guaranteeing small profits because reaching the break-even point is possible in small print-runs. However, in the last instance, as previously mentioned, they have to carry on book publishing business through small rate of profits for a long time, which denotes the continuity of that their activities in the market remain in small-scales and the failure to acquire a strong financial structure which also denotes to another failure in applying higher technologies in production, product development and storage processes. As a final point, it can be said that this structure of the Turkish book market is quite congruent to the structure and trends in developed book publishing industries in the West.

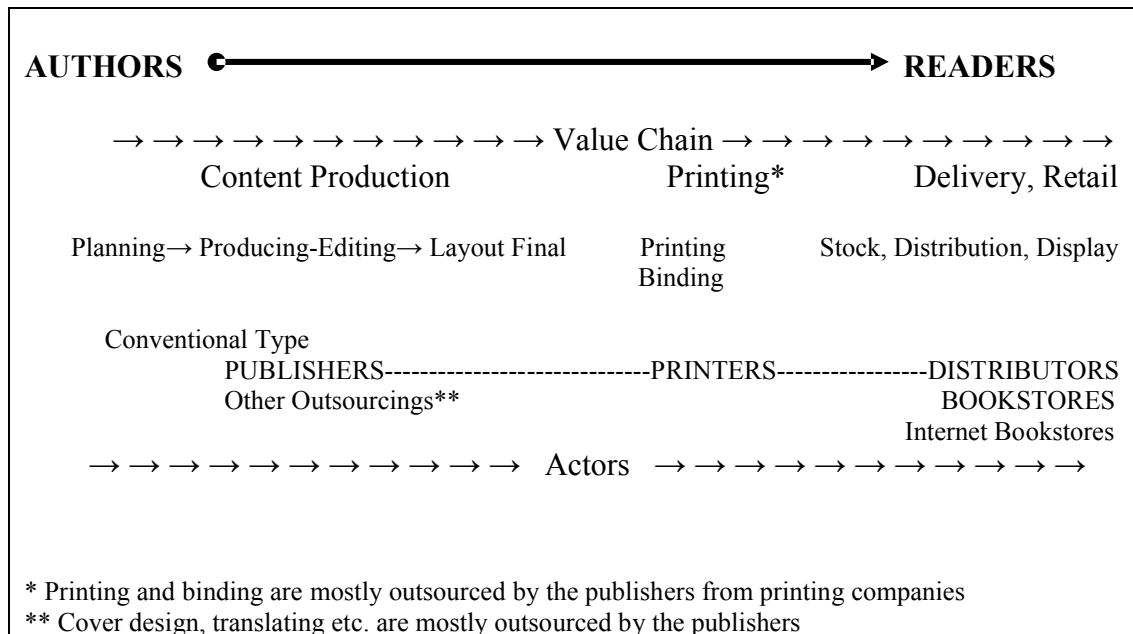
In the next section, organization of book production and business, which is very crucial to understand the Turkish book publishing industry, will be analyzed. Obviously, the situation—conditions of competition between small and major publishers—is closely related with the organization of book production and business in the Turkish book market.

3.3. The Production of Books For the Market

As stated above, market structure of book publishing industry in Turkey is closely associated with the organization of book production and business in the market. In the previous chapters, it was mentioned that book production is a highly complicated and multifaceted process. This is, of course, the case for the organization of book business, which includes highly sophisticated distribution and marketing processes linking mass production of books to the mass consumption of books. Through these processes, many actors are responsible from different tasks: authors, editors, printers, book publishing companies, distribution companies, small and large bookshops, bookstore chains, advertising companies, copyright agencies and so on, throughout a systematic division of labor and different cycles of capital within an industrialized structure.

On the other side, organization of book production and business reflect significant differences due to the level of development, scale or volume of the book market, between highly developed book publishing industries (such as the book industries in U.S., U.K. Germany, France) and less developed book industries. The Turkish book publishing industry can be put into the second category because of the ongoing problems in the organization of book production and business. As a matter of fact, level of technology and methods utilized in the book production process, and practices, rules and regulations in the organization of book business—which come out as a result of long established tradition—are the major parameters that lead such a differentiation. In this section, organization of book production and business in the Turkish book publishing industry is analyzed within this framework.

Figure.12. Value Chain of the Turkish Book Publishing Industry



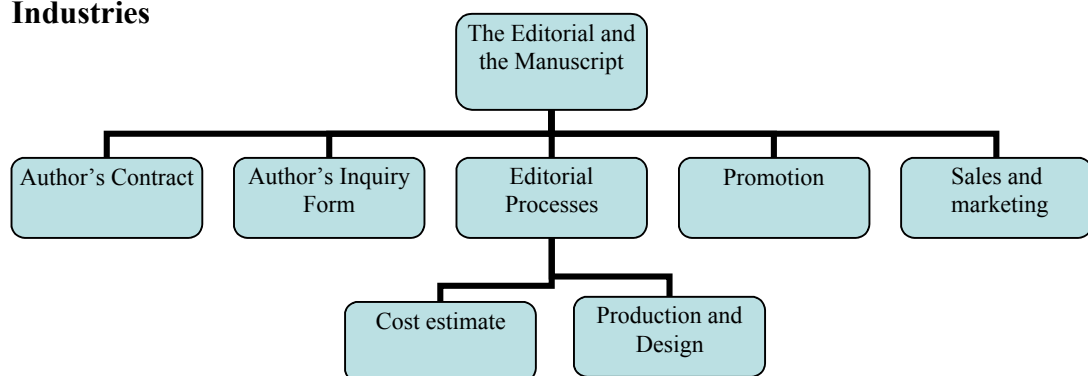
In Figure 12, it can be seen that the Turkish book publishing industry has a simple supply chain in which publishers plan and edit books with subdivisions in their body, wholesalers distribute them, and bookstores sell them to readers. Throughout different processes, a manuscript written by the author reach to readers as a book commodity and value is realized within this structure. Obviously, such a value realization and relations between various actors come out in different ways or methods between small and larger book publishing companies. In the following parts, these processes and differences are analyzed step by step.

3.3.1. Editorial Process

In developed book industries, editorial work is one of the cornerstones of book production process. Editorship in these industries appears as a distinct profession, due to long established cultural practices and tradition. It is also a highly specialized process led by professionalized editors. Historically, specialization through editorial process within publishing houses has grown in the late 19th and 20th centuries. Especially in continental Europe and U.S., editorial departments became distinct from production, and both were quite separate from the sales or marketing departments. As previously noted, one of the distinguishing features of book

industries in developed countries is the large content production, which mean millions of manuscripts come to publishing houses. However, a very small percentage of them are selected in a year. Therefore, editorial process and the work of editor play a crucial role in selection of the best content, estimation of potential sale success for a book and projection of the best means for a bestseller success. For this purpose, there are certain criteria which are evaluated throughout the work of editor: past sale and media appearances, namely the popularity of the author's previous works, the current popularity of the book's genre, the book's list price; production quality and cover design; the book's topicality; the projected budget for promotional and marketing activities, understanding local habits and the personal tastes-interests of consumers⁸³. In addition, the work of the book editor, decision-making is accorded with product-development strategies in determining potential profitability of a particular book for the maximum commercial success and profitability, and therefore, editorial departments collaborate with other departments in the organizational structure of the book company. The Figure 13 represents the case in developed book industries.

Figure.13. The Organizational Chart of Editorial Process In Developed Book Industries



As seen above, editorial process is a more complicated, sophisticated and specialized process in developed book industries and very crucial in the organization of book production and further processes. In the Turkish case, editorship has been historically one of the most problematic fields in the organization of book production-business

⁸³ See Miller in Croetau & Hoynes: 2000.

and started to make a progress only during recent years⁸⁴. As a matter of fact, such progress is closely related with the level of institutionalization within the book publishing companies. As mentioned previously, in the Turkish book market which is comprised of companies as mostly small enterprises, such institutionalization level is still too low, and scale and financial strength of the company make a difference between major and small publishers. However, there is an increasing trend in that importance of acquiring a strong editorial department was realized by book publishing companies in the market, especially by majors. During interviews, major publishers stressed that acquiring a strong editorial body is important for them to acquire an advantageous position in the market and get more profits within such a highly competitive market structure.

On the other side, this situation is still not the case for almost all small-scale publishing companies. It is a widespread practice that the owner of the company is completely responsible from or takes part actively in editorial process like other decision-giving processes. Tuğrul Paşaoğlu, the owner of İletişim Publications and one of the editors of the company, tells this situation as such:

“In Turkish book publishing market, the owner of the company still means everything in all processes of the organization of production for books. It is related with the scale of the market and financial power of companies to employ professional staff, so you can not find professional and qualified editors and personnel here. Furthermore, there is still a continuing relationship between the editor and the owner of the company. This brings an impediment on the development of editorial work as a professional occupation”

The most important reason for such a situation that acquiring a professional editorial department and employing more and regular staff mean additional management costs for almost all small publishers. Thus, editorial work is mostly outsourced by small publishers through employment of university students at low wages or in part-time jobs. In addition, editorship by nature requires high “cultural capital” and long

⁸⁴ For the problems in this field, see Tanıl Bora, “Editör Kimdir, Eserleri Nelerdir?”, Virgül, 2004, <http://www.metiskitap.com/Scripts/Forum/Forum.asp>.

business experience in the book market⁸⁵. In this sense, it is one of the most specialized fields in the organization of book production and business. For these reasons, it is still difficult for publishing companies to discover or employ such qualified editorial staff in its body.

3.3.2. Authors and Copyright Contracts: The Relationship between the Author and Publisher

In EU and U.S. countries where an advanced book publishing industry is institutionalized, copyright contracts are mostly made either between the company and author or between copyright agency representing the author and record company. As licensing agreements constitute an important portion of revenue for the major international book publishing companies, international copyright agencies (i.e. Marsh as one of the biggest) as intermediary institutions play a key role in Foreign Rights and Other Licensing Agreements in the relation between author and publishing companies. Those copyright agencies also play such role in contracts signed between authors and domestic companies. In addition to copyright agencies, literary agencies take part in contracts representing authors⁸⁶. Publishing companies contact with these institutions during contract process.

Copyright contract is mostly signed between respective editorial staff of the company and author and its terms may be diverse due to it is a hardcover book, or a paperback book, or an e-book. While this is the case, copyright contracts between publishers and authors are mostly prepared in certain standards⁸⁷ and subjected to the legal protection-control⁸⁸. In general, royalty payments are based on a percentage of total revenue derived from the number of books sold; the ratio may change for the

⁸⁵ During another interview, Semih Sökmen—the owner of Metis Publications and one of the three editors of the company—stressed that “editorship necessitates a good knowledge on literature, interest in culture and foresightness in determining more profitable and riskless projects. Moreover, as there can not be a school for this profession and editorship is not such a popular or desirable profession due to the quality and earnings of the job, professional people can not be seen in this field”.

⁸⁶ See http://www.sfw.org/contracts/agents_cont.htm

⁸⁷ For a sample book contract between author and publisher, see Greco, 1997, pp. 152-157.

⁸⁸ Therefore, in spite of existing high digital copying and print-on-demand technologies, piracy rates are lower in these countries than other less-developed ones as a result of execution of strict copyright protection system against infringements.

next editions and books that are unsold and promoted by remainder sales. The terms of the contract vary due to the relative power of the author, which is determined by the popularity and previous commercial successes of the author. Furthermore, it can be said that authors in great numbers can make a living from royalty payments and authorship appears as a distinct profession. Not only with authors but also, for translated editions, another contract is signed between translator and publisher and translators acquire royalty payments in certain ratios in each edition. Translating, like the development of authorship as a profession since 15th century, is a more professional and specialized activity in these countries and major publishers usually employ a professional translator staff in their organizational structure.

However, the Turkish case reflects many differences from the structure told above, and some similarities as well. The most obvious difference is that there is no standard with the terms of contracts⁸⁹. Similar to Western practice, the terms of the contract (ratio of royalty payment, number of print runs etc.) vary significantly due to the popularity of author and past commercial success of his/her works; however, young authors can earn too little royalty payments⁹⁰. In this sense, copyright relation is congruent with the developed book industries in that popular authors for their promising works acquire more royalty payments. Young authors sign contracts in poor terms and can only earn high royalty payments after he/she proved its popularity, for example, after recording at least one bestseller success. Furthermore, unofficial contracts out of legal protection-control are seen as a common practice due

⁸⁹ In any case, a contract generally includes such details: first, the term of the contract (a term of 5 years for all books of author in time period, or valid for a single title); second, the number of books to be published in the first edition under the contract; third, an agreement of exclusivity indicating that the author is not signed any other contract with the other company during the term of the contract, and finally, a royalty rate indicating the amount of money that will be paid from each published book. After changes in legal framework introduced in 2004, these terms— which are required for the contract as a legal document — are clearly, mentioned by the related sentence in FSEK.

⁹⁰ For more popular authors such as Ahmet Altan and Orhan Pamuk, whose books are also potential bestsellers, this ratio may be 20% or 25% percent. For example, Orhan Pamuk is one of the most promising authors in the Turkish book publishing market and high royalties are paid to the author whose books were sold over 800,000 in 2004. Furthermore, the author's books have been translated in 34 foreign languages and number of foreign sales has exceeded 1 million, and royalty payments to the author have reached to 2 million dollars. See Radikal, Kültür/Sanat pages, 04/12/2005. On the other hand, for less-known young authors it may be 4-5%. Moreover, in some situations— i.e. in academic publishing or when expenses are undertaken by the author— no royalty is actually paid to authors.

to informal character of the Turkish book market⁹¹. One other significant difference is that, in Turkey, publishers mostly have almost no relation with copyright agencies and literary agencies, which are still in limited numbers, too. As major publishing companies actively produce translated versions of famous books of foreign authors⁹², they have more contact with copyright agencies abroad and found in Turkey such as Istanbul, Onk, Akçalı, Kesim. Another significant difference is that authors are paid royalties whether their book is sold or unsold. This situation makes the business more risky for publishers, however, as a matter of fact, almost all authors acquire royalties in checks in certain terms, and a delay in payments is a widespread practice. Another different practice in Turkish case is that many publishers do not sign contract with translators and royalty payments mostly can not be possible in further editions⁹³.

As previously noted, developments both in legal framework protecting author rights and bringing serious sanction for publishers, and in authorship as a separate profession are recently seen in the Turkish book publishing industry. First , significant developments were witnessed after 2000s—through 2001 and 2004 changes in the The Law on Intellectual and Artistic Property (FSEK)— and serious attempts have been made to regulate legal protection of terms of contracts and introduce hard sanctions against copyright infringements. However, problems still continue on that matter. It is safe to say that publishers' copyright infringements out of the authorization of contract have always been a major problem of Turkish authors

⁹¹ This situation will be discussed in the analysis on control of sales.

⁹² As a matter of fact, not only small companies but also some major companies can not offer high royalty payments for foreign authors due to the strength of their financial structure. Therefore, average royalty ratios offered by Turkish book companies are lower than ratios offered by companies in European countries. Filiz Karaman, from Kesim Copyrights Agency, points this situation as such: "Level of royalty payments to foreign authors are too lower than European countries. For example, let alone other developed book industries, in Greece, publishing companies having strong financial structure can pay a average of 7000 dollar for the copyrights, whereas it is around 1000 dollar in Turkey".

⁹³ In last years, it was witnessed that there has been serious attempts to organize translators to defend their rights, eliminate negative attitudes to translators and to provide professional background for translators. For example, "Çev-Bir" is preparing to establish a translators association by April 2006. However, it can be still said that translators are the most exploited actors of book publishing sector in Turkey

(Kabacalı: 1984)⁹⁴. Moreover, unauthorized publications outside the terms of contracts are mostly widespread practices in the market. This situation is still one of the most discussed topics in sector analysis and media discussions, as well as in-depth interviews with TPA and publishing companies. During interviews, publishers were reluctant to declare the details of the contract deals and royalties paid to their author, which contradicts with the everyday discourse of publishers calling for “transparency”. In sum, on the one hand, author-publisher relations are an increasingly regulated field of book publishing, and on the other hand, violations and infringements still continue in the Turkish book market⁹⁵.

Second, it can be said that authors have recently started to make a living from royalty payments. As a result, authorship—has always been a second occupation of the Turkish authors from different occupations (i.e. teacher, journalist)—is increasingly becoming a separate profession in the Turkish book publishing industry.

To conclude, it can be argued that competitive market structure is a major determiner of relations and contracts between publishers and author. During last decade, significant developments were witnessed in “star-author” system to manipulate sales in bestseller market. This tendency, as previously noted, brings that major companies are reluctant to publish books of young or non-popular authors. Majors can easily sign contracts with talented-young authors who are previously discovered by small publishers, through paying higher royalties and promising more promotion for the author’s book. During interviews, small publishing companies complained about this situation as such: “major book publishing companies such as Doğan Publishing and Yapı Kredi Publications offer high or astronomic royalty payments that we can not

⁹⁴ In his book “Türkiye’de Yazarın Kazancı” (1984), Alpay Kabacalı analyzes the historical problems and difficult conditions of Turkish authors in the market. Non-standardized contract deals and illegal operations of the publishers since the early Republican period; and many practices that are evaluated as in Kabacalı’s terms “exploitation of author’s labor by the owners of capital in Çağaloğlu and turning authors into slaves”, can be seen in this study.

⁹⁵ During interviews, very interesting practices about this matter were noted by the author of this study. One of the executing members of TPA, Tuğrul Paşaoğlu gives an example of these practices as such: “An author comes to me to publish his/her book, and asks how much royalty can be given in return of signing a contract. I tell him/her that I can give a royalty ratio of %10. Then, he/she goes to another publishing company and the owner of the company, who is in jackal or merchant mentality, offers him/her to pay out of record in order to prevent from paying taxes to the state. Then you, as an intellectual of this society, accept this offer. Later, this means that there remains no chance for you to follow or control the number of books published by the owner of the company in each edition”.

afford. This monopolist tendency brings an impediment on fair competition and lead to the shut down of many publishing companies”⁹⁶. Different from the case for independent and small publishers in the West, small publishing companies can not acquire revenue from such transfers of their authors because of the fact that they mostly do not sign contracts with long terms and the terms of contracts are mostly limited by the first edition.

It should be also noted that, as a result of intensive competition between majors to increase their market share, author transfers can also be seen from a major company to another. As majors usually sign contracts with authors for long-terms, they can acquire extra revenues in a case of transfer. However, it can be said that competition between majors through transfer of famous authors intensified in the Turkish book market during recent years, especially after 2000s. As noted previously, such competition between both majors and major-small companies has intensified⁹⁷. It can be predicted that competition through author transfers may intensify more and more with the new entrance of Ciner Group by Merkez Kitaplar and other small and large scale investments⁹⁸. As seen during interviews⁹⁹ and in media discussions, competition through author transfers also brings illegal practices and copyright infringements; disagreements between opposing sides occur and many court cases are seen in the Turkish book market¹⁰⁰.

⁹⁶ There are also some critics towards authors in that they demand high royalty payments, which could be only offered by publishing companies such as Yapı Kredi. See Feridun Andaç, “Yayınevi bir banka mıdır?”, *Virgöl*, 2005/85, pp.58-59.

⁹⁷ See Celal Üster, “Yeryüzü Kitaplığı”, *Radikal*, 13/12/2002.

⁹⁸ See http://www.sabah.com.tr/ozel/kitap1195/dosya_1240.html; http://www.sabah.com.tr/ozel/kitap1195/dosya_1194.html; <http://www.sabah.com.tr/2004/03/23/gny121.html>. Actually, not only author transfers but also editor transfers are an increasing trend during recent years in the Turkish book market. See, Kemal Yılmaz, “Çekim ‘Merkez’i”, *Radikal*, 02/01/2006, <http://www.radikal.com.tr/haber.php?haberno=174609>, on this issue.

⁹⁹ For example, during interviews, one of the owner of a major company stated that “some publishing companies continue to publish new editions although their author transfers to another company, or, they sell books of the author, which remained in their hands, to street vendors”.

¹⁰⁰ See Muhsin Öztürk, “Yazarın Adı Yok”, *Aksiyon*, 09/12/2000.

3.3.3. The Production Process of Books

After a deal is signed between author and publishing company, the manuscript comes to editor and what follows in the production of books generally consists of two separate sub-processes: preparatory work before printing including editorial examination including proofreading and reduction; then composition and page-setting stages; later reduction and proofreading stages; cover design) and physical production process of books including typesetting, molding, pressing, printing, cutting, folding, binding, covering stages. During these processes collaboration between publisher, editor and author is followed to determine that books will be produced in which quality (the quality of paper, illustrations, color-print, multicolor press or black-white printing) and quantity (the number of pages, print runs etc. authorized by the contract). Further, before books are released to the market through distributing process, special streamers called as banderoles are stuck to the books, which is purchased by the publishing company and given by the Directory of Copyrights in special applications.

The most important note about the organization of book production by publishing companies is that many services are still “outsourced” by almost all publishers, especially the case for the small ones. As a matter of fact, although examples of horizontal integration linking different processes of book production are increasingly seen in major publishing companies; services such as printing, binding are mostly outsourced by them, from companies operating in related sectors. In this sense, almost all publishing companies hire some or most of the services and technical support from the companies in the related sectors for the processes of printing, typesetting, cover designing of books. To a large extent, printers organize many services within their body for the physical production of the book, for example, molding, pressing, printing, cutting, folding, binding, covering, typesetting, and providing raw materials such as ink, paper etc.

As discussed in Chapter 2, publishing companies in the Turkish book market can handle different methods in production thanks to the technological improvements, which are mostly introduced by the development of printing and press in Turkey, and technological restructuring in these sectors after 1980s. On the other hand, especially

for small scale publishing companies, it can be said that many publishers are still ill-equipped with let alone printing and publishing technologies but also office machines. In general, computerization level is still too low to organize many activities in the organization of book production. Recent transformations in the technological benefits changing the nature and traditional organization of publishing, such as “print on demand” technology and “desktop publishing”, can not be updated and utilized by many publishers. In this sense, there are serious differences between small and major publishers in the utilization of these recent technologies during the pre-publishing and book production process. Furthermore, major publishers seek to acquire competition advantage through making special editions attracting reader interest whereas small publishers do not have such a chance—due to their weak financial strength—to spare money for the methods to attract reader interest (i.e. illustrated book cover, special page design, and format, quality of paper). As noted above, one of the most important characteristic of small publishing companies is that they employ staff in minimum numbers as possible as, and give priority to the reduction of costs through abandoning outer appearance and physical quality of the books they published (i.e. ongoing widespread use of 3rd quality paper in production). In sum, organization of book production is mainly determined by the scale or financial strength-capital structure of the company. As a result, organization of book production processes is one of the major determiners in the case of conditions of competition between small and larger publishing companies in the Turkish book market. This is also the case in the organization of other process in book publishing business, as discussed in following sections.

3.3.4. Distribution System

Following pre-publishing and printing processes, books are released to the market through different distribution mechanisms. Distribution of books is another problematic field of book publishing industry in Turkey. Distribution system in the Turkish book market reflects many significant differences than the developed book publishing industries where a highly sophisticated merchandising system and an infrastructure have been cultivated over decades. Major publishing companies in European and U.S. countries mostly acquire its own distributing company and

distribution of books is carried through their own warehouses and personnel working under distribution department. In organizational structure of those companies, a distinct distribution department is responsible from services offered to clients and information of each client is recorded in special databases. In a case of order, different discount rates and terms-, decided by sales managers and accounting staff previously-, are offered to clients. These major publishing companies also acquire offices in many countries responsible from distribution and marketing of books. Small or independent publishing companies that have little title to be distributed and that can not lead distributing facilities by their own mechanisms, usually sign a contract with only one distribution company, which is mostly owned by a major company. These small companies mostly sign a distribution contract with one single distributing company, because it becomes easier to control and follow the distribution process of their books. In distribution contracts; the terms, discount rate and conditions of payment are specifically mentioned. Discount rate may change according to the credibility or commercial references of the company and to the region that the company activates. Distributing companies determine a certain discount ratio according to the services demanded by the publishing company, the share of publishing company spared for them in warehouse and annual endorsement of the publishing company. The function of distributing and warehousing companies is limited with the logistic services for publishing companies.

Apart from distributing companies, large wholesalers lead the book distribution process and both offer insurance systems for publishing companies. Each publishing company has special credits in the business, due to changing credit rates for publishers found in risky regions. As an important point, these large wholesalers play a vital role to finance publishing companies in small scales and suffering from weak financial structure. Clients or actors that give book order -mostly bookstores and retail outlets- may order books both from distributing company and publishing company. As a more important point, distributing companies provide feedback for the book publishing companies by keeping regular records of sales, and send a report including data about sales and consumer interests. Another differentiating aspect in these developed book markets is that the existence of intermediary mechanisms in the distribution and marketing of books, such as sales agencies founded in different

regions, which play a crucial role to develop relations between customers and publishing companies in a more successful manner.

In addition to practices mentioned above, there are standards and established rules of book distribution business. For example, consignment sales are done in regular periods and distributing companies collaborate in promotion of books that remain in the warehouses. For the remainder books, publishers and distributing companies mostly collaborate for a new marketing process, through higher discount rates and offering books for cheaper prices to readers. As another example, payments system is seriously organized and bookselling companies—which delay payments or pay no money to the distributing companies and sales agencies in return of distributing service— can not order books and hire services from these intermediary companies. In sum, industrial organization of distribution and marketing networks is a distinguishing feature of the book industries in advanced capitalist countries from the slanting structure of these networks in less-developed countries.

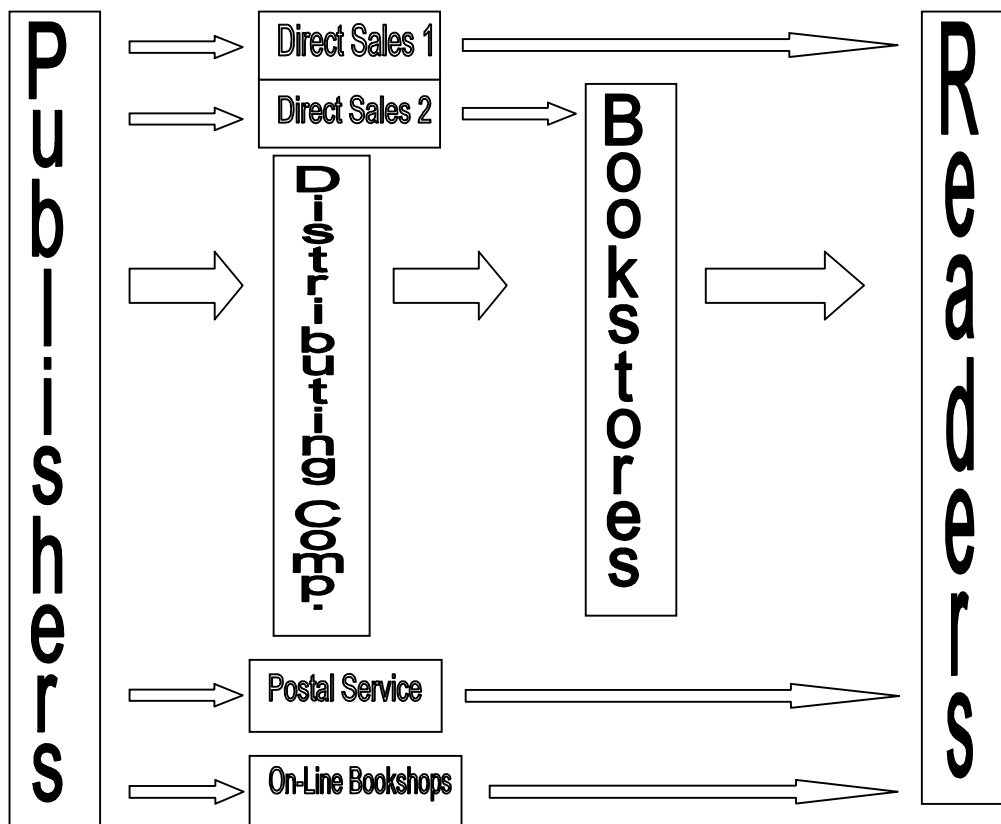
In Turkish case, organization of book distribution process and the market for distribution network denotes remarkable differences than those discussed above. In the Turkish book market, there are no large wholesalers as in the West, where financially powerful and large wholesalers provide distributing services both for bookstores and through their large warehouses in various centers¹⁰¹. The market for distribution network of books is highly competitive. There are more than 50 companies activating in the market that control a great portion of the total distribution. Nevertheless, it should be noted that there are three major distributing companies has increasingly strengthened their market position during recent years: Yeni Çizgi, 2A, Alfa distributing companies.

Another difference is that a very limited portion of publishing companies acquires a distributing company, network, or department within its organizational structure. Furthermore, differently from developed countries, small publishing companies work with almost all distributing companies to send their books to far regions in the

¹⁰¹ Publishers, bookstores, and distributing companies acquire limited warehousing mechanisms in different ways by their own.

Turkey and this results problem to follow or control efficient distribution of their books. Apart from distributing companies, there are obviously other distributing mechanisms. A small portion of companies, mostly majors, distributes their books directly to the retail bookselling points such as bookstore chains, bookshops, and supermarkets in large cities, in any case of order. Another widespread distribution networks are postal service and cargo; the former has historically been the major network for distribution of books, and the latter has been developing significantly during recent decades. Last, online bookstores is another way of distributing books thanks to developments via digital technology and Internet, and this system is increasingly being used by publishers since it introduces cost effective solution for publishers in distributing books. In the Figure 14, main distribution channels of publications are represented:

Figure.14. Main Distribution Channels of Publications in Turkey



The organization of book distribution process and business works through certain rules and principles. Before distributing a book, a deal is done between the distributing company and the publishing company. According to this deal, distributing companies employ a discount rate, which is not standard. Discount rate varies for the publishing companies operating in different fields of book market. For example, it is between 35% and 50% for the companies in cultural books publishing (fiction and non-fiction books publishers) and between 20% and 30% for the publishers of academic-university books publishing. It can be said that average discount rate is 40%, however, this ratio may go up to 50% in the case that publishing company demands shorter terms of payment, for example, 3 months instead of 6 months.

After the deal between the distributing company and publishing company, distributing companies send the books to bookstores after a deal is done between distributing company and bookselling companies. Another discount rate is determined in this deal, which vary from 25% to 35% due to terms of payment in months, but on an average 30%. The Figure 15 represents the flow chart of book business in the Turkish book market:

structure for these companies. Especially, together with the impacts of demand uncertainty, this impedes publishing companies to make further investments in book publishing sector. In this respect, publishing companies prefer to reinvest their revenues either at financial markets or at the real estate business, rather than at the Turkish book publishing sector. As a more important point, such configuration of the problems in distribution system forces publishing companies to fix a promotional budget for books. As a result, except some majors, almost all book publishing companies (especially the ones running with a low budget), have to start promotion campaign after several months from publishing and hesitate to finance additional promotion expenses due to delays in return of revenues and demand uncertainty. As a result, a considerable amount of new publications cannot be sufficiently promoted¹⁰³. Fourth, in many cases, these publishers have to be slow in paying for authors, translators and other service providers. Fifth, this configuration of distribution system has adverse affects on the organization of book production and distribution. It can be said that publishing companies in the Turkish book publishing sector failed to establish sufficient and effective nationwide distribution infrastructure and mechanisms. Moreover, while development of distribution system in the West was mostly realized thanks to publishing companies efficiently used distribution infrastructure for newspapers and magazines, which could not be possible during decades in the Turkish case since major distribution companies in press are reluctant to enter book distribution business as it is less profitable and more risky. Sixth, competition between small and major book publishing companies must be mentioned. As previously noted, during interviews, almost all small book publishing companies complained about that, “Distributing companies do not prefer to order for the titles published by the small companies because they seem less profitable and risky and, distribution companies do not deliver their books to the bookstores in time and their books remain in the warehouses for a long period”. Therefore, major publishing companies acquire a more advantageous and privileged position in the distribution of books. Moreover, selling orders are mostly given by

¹⁰³ This situation can easily be seen in small-scale sectoral study of the Ministry of Culture in the year 1994. According to results of this study, a remarkable portion of publishing companies in the Turkish book market cannot invest for promotional activities and average number of books promoted by them remains too small. For further information, see T.C. K lt r Bakanlığı, “T rkiye Yayıncılık Sekt r  Arařtırması”, T rk Pazarlama Vakfı, 1994.

distributing companies instead of publishers or bookstores, therefore, similar titles are seen on the shelves of different bookstores, and especially titles published by majors and written by a famous or popular author or potential bestseller are displayed on the front shelves. It was also noted during interviews that most publishers complain about the book publishing activities of distribution companies, which is interpreted as “unfair competition”¹⁰⁴.

In the light of these problems, it is still case for the Turkish book market that few books can be distributed to less developed and far regions of Turkey. As well as the problems in distribution networks, the problems in marketing network of books should be mentioned. Tuğrul Paşaoğlu represents the general conditions of book marketing as such:

“According to the Turkish Booksellers Association, there is approximately 1100 selling point in Turkey. [...] The research that we made in this 1100 point showed that 870 titles in average are exposed per year in each bookstore. Last year, approximately 21000 ISBN number has been taken. Let’s assume that 12000 of those are cultural publications. That makes 1000 title per month. This business is lost in advance, illogical”.

In this respect, if it is assumed that all books are distributed in perfect sense, this does not mean all could be displayed in nationwide bookselling points. Especially in far regions and districts of Anatolia, many bookselling points are originally stationeries or toyshops. Local outlets in Anatolia region run book marketing business in poor conditions, too. Therefore, marketing of books is mostly the biggest

¹⁰⁴ On that matter, critics have come much more from major book publishing companies, during interviews. One of them criticizes this situation as such: As one of them states: “distribution companies should not have interests and investments in book publishing business and compete with me because they are already selling my books. I pay money to their services but they employ many tactics to sabotage my commercial success and healthy functioning of the trade in the market. How can they be objective in distribution of books, in such conditions of the market where commercial logic is dominant and competition is wild?”.

problem to establish local book markets in these regions¹⁰⁵. For both these regions and big cities, sale of books in kiosks together with newspapers and magazines—which had been successful to a certain extent especially in 1960s— could be a permanent solution to the marketing problem of books, however, major distributing companies in press are reluctant to enter this field of book business and actually almost all kiosks are too small to display books on their shelves. As a consequence of these problems in marketing networks of books, a very limited portion of books can be displayed in the Turkish book market and this situation impedes publishing companies to gain revenues of book business and to make further investments to book publishing sector in Turkey.

On the other side, although it is still problematic, significant developments were witnessed in marketing of books after 1990s: large bookstore chains are established in big cities such as İstanbul, Ankara and İzmir; and especially in supermarkets, shopping malls and cultural centers of big cities. According to data provided by the Turkish Booksellers Association, it can be said that a great portion of book sales is realized mostly through such bookstores (about 90%). In addition to these marketing networks, sale of books via Internet or web bookstores is developing in the Turkish book market, whereas this market is still too small in book sales, estimated as approximately \$5 million in 2004. Furthermore, sale of books through large book clubs—as noted in Chapter I, it was established in the West since centuries as an important marketing mechanism—I¹⁰⁶ is another underdeveloped field of the Turkish book publishing sector. Not only absence of large book clubs and mail orders by them but also sale of used-books is still problematic and conditions of second-hand booksellers are worsening day by day in the Turkish book market. As a matter of fact, business of used-book sales is an important source of revenue for publishing companies in the West. Through large retailers—i.e. Barnes & Noble, Books-A-Million, Powell's—, on-line bookstores—i.e. Abebooks, Alibris, Amazon, Biblio—and other locations (book fairs, thrift stores, yard sales, library sales), used-book

¹⁰⁵ As a matter of fact, there are many big cities in the eastern part of Turkey, where there is any bookstore in large size. Kars is an example to these cities.

¹⁰⁶ For example, book clubs owned by Bertelsmann bring €2,2 billion in 2004.

marketing is a large business¹⁰⁷. This system provides publishers, especially for major publishing companies¹⁰⁸, to sell their remainder books in their large warehouses and stores. For book consumers as well, it enables to find titles whose publication has stopped and to purchase such books in cheaper prices. In this respect, once more, it can be said that organization of book marketing reflects serious differences between Turkey and developed book industries mostly found in EU and US countries. On the other side, similar to tendencies in the case of distribution of books, conditions of competition between small and major labels in the case of marketing books reflect some similarities with the trends in the West, as discussed in section previous sections.

3.3.5. Production Cost of Books

As was stated earlier, production cost of a book title vary according to the physical quality and quantity of produced item. Number of print runs in the first edition and page numbers constitute quantitative aspect; and paper quality, illustrations can listed in qualitative aspect. In addition, royalty ratio for the authors and translators is another aspect that costs of production depends on. In general production costs can be summarized as such: pre-printing costs, physical production costs, distribution costs (discounts to distributors), marketing (discounts to booksellers) and promotion costs (advertising payments to media channels and other promotional channels), storage costs, costs of returned or unsold books, royalty payments to the authors and translators (if it is a translated book), payments to the copyright agency; management costs, taxes and banderole fees. It is also possible to categorize production costs for a book in 2 headings: Varied Costs such as pre-printing costs such as design, cover and printing costs; translation ad royalty costs; and Fixed Costs such as typesetting, management costs, promotion costs.

¹⁰⁷ For example, used-book sales reached to 2.2 billion \$ (1.6 billion \$ in education and 600 millions of \$ in other genres) by 2004 in the U.S. book market, with an 11.1% growth over 2003. BISG (2005) reports that 111.2 million units of used-books were sold in the U.S. market by 2004, respectively 38.6 million units in education (average price per used-book in this genre is so \$41) and 72.6 million in other genres (by an average price of \$8.26 per item). See BISG Report (2005) on used-book market in the U.S.

¹⁰⁸ Global media giants increasingly control used-book market in many countries, especially in the U.S, through acquisition of major web bookstores or online retailers

In this respect, as well as preferred quality and quantity of product, production costs per book vary significantly according to the size and scale of the publishing company. It should be noted that the numbers given in this section are compiled from the information provided by the interviewed book publishers and executing members of TPA. Therefore, they must not be taken as exact or official, but rather should be considered as representing a tendency to make an idea about the production costs of a book title.

The most important factors affecting the costs for production are: first, the number of print runs and second, the number of unsold and returned books, which is reflected on the costs of production. During interviews, publishers stated that they mostly prefer to publish books in small print runs due to the risky and unforeseen conditions: reader interest and demand is unpredictable and commercial losses will be greater in large print runs. In addition to these conditions, publishers seek small print-run strategy because of such conditions: i.) royalty paid to the author is based on the number of prints whether it is sold or unsold¹⁰⁹; ii.) Storage costs may rise up; iii.) Taxation mechanism—such as VAT, stoppage cuts (based on cuts from income derived by author's royalty payment), and income tax (based on both profits of respective in a year) starts when banderoles for respective print-runs are requested from the Ministry. As a result, they prefer to make editions in small quantities in anticipation to avoid a greater loss, which would otherwise means their bankruptcy.

It can be said that number of print runs in the first edition mostly remains in an average of 1000-2000 copies. It may fall to 500-1,000 copies in poetry books, special issues, reference books, prestige books; it goes up from 25,000 to 100,000 copies for school books or titles written in popular themes or books of promising and well-

¹⁰⁹ Hasan Öztoprak criticizes this situation as such: "This is in practice in Europe, especially in the U.S. while, royalty payment is based on the sales. Therefore, you have the chance to pay less as price of the book decreases when first sales of the book have finished and the book is taken away from shelves in the bookstores. Then the author gets less royalty based on the decreasing or new price. However, in Turkey, royalty payment is based on the number of books published per each edition. The author does not concern about whether his/her book is sold or not. If I published at 5000 for the first edition, then the royalty payment is realized. However, in Europe, book is published and sent to the bookstores to sell and if you have sold 3275 books, royalty payment is done over 3275. For example, if the price of the book has fallen to 1 dollar at the end of the year, you pay 3275 dollars to the author. Therefore, it brings additional costs for the publishers and makes business more risky in large print-runs in the first edition".

known authors supported by a huge promotional campaign to target a bestseller success. Publishers mostly prefer to wait for market sales of their titles to make further print-runs and editions, therefore, average print runs are actually too low. As a consequence, low number of print runs affects costs of production per book increase significantly and this reflects on book prices and potential profitability acquired from books¹¹⁰.

Break-even point (“başabaş noktası”) is the simple variable showing profitability. It varies due to scale of the company, but its average for a book published in 1000 copies is 600, and in 2000 print runs, it is 1000 print at average. For small companies, it seems possible to exceed break-even point in small print runs. However, there are few books selling above break-even point, and many published titles make a commercial loss. Furthermore, a more important point is that it is only possible to acquire worthy profits in large print runs (due to cost effective outcomes) and huge number of sales exceeding at least 10000 copies. Therefore, as long as they seek small print-runs strategy, it is difficult for a company to stay in the market in long terms and make further investments to the book publishing sector for further profits. Furthermore, as stated earlier, almost all small publishing companies seek another strategy able to compete with major labels, in the way that lower production costs through cutting management costs and minimizing number of personnel as possible as.

It is believed that an analysis on production costs of books in the Turkish market cannot be thought separately from a discussion about book prices and then respective book sales. During interviews, publishers stated that average book price is not at higher levels than many countries (50% of average book prices in EU countries), whereas average costs of production remain higher because input costs remain too high in Turkey compared to these countries because of the fact that paper costs of

¹¹⁰ According to Datus Smith, one of the most important scholars analyzing book publishing industry in general, if the publisher produces 10000 copies instead of 1000 at once and sells it, the profit will increase about 18 times (Smith; 1966:30). While the costs per copy is 0, 46 for 1000 copy-edition, it may fall down to 0, 20 for 10000 copy in the first edition (Smith; 1966:27). As long as the number of published books increases, the profits reach to a huge ratio and, break-even point for that book is getting minimized as a result of that fixed costs do not affect production costs for publications at larger quantities.

paper and other printing and publishing materials (mostly imported) increased substantially due to the successive devaluations in currency and high inflation rates. In addition, as a result of adverse economic conditions, delays in payment terms reached up to 12 months. Almost all publishing companies in different scales stressed upon the negative outcomes of in-terms payment system in pricing policies of companies result serious problems in determining book price for a single title. Therefore, during 1980s and 1990s, it was witnessed that book prices increased substantially.

Today, many people argue that book prices are still at high levels when compared to average per capita income and general welfare of people in Turkey, and criticize publishing companies seeking high pricing policies. Interviews with executors of TPA showed that it was possible to produce a 160 page novel at a price of TL7 million, including all expenses. On the other hand, it is generally stated that the cost of producing a book title is much lower. Furthermore, as stated earlier, production costs vary according to many factors, especially such as number of print runs in the first edition and scale of the publishing company. As a result, there appear similar titles in volume sold at huge price differences. In this respect, there is no such a standard for book prices, as seen for album price in the music market. This situation has become more confusing for readers in the case that price etiquettes change several times in time, due to the fact that publishers adapt prices to increasing inflation rates. Another factor bringing more confusion for readers and loss of confidence to publishers is that increasing cheap-book campaigns in the Turkish book market during recent years, especially after 2000s. It should be noted that the first example of cheap-book strategy was employed in 1993 for Duygu Asena's "Değişen Bir Şey Yok" and Demirtaş Ceyhun's "Asılacak Adam" by AD Publishing which was one of the book companies owned by Doğan Media Group, and serious sale success was recorded by the company thanks to Doğan Group's huge promotional campaign in its own media channels and financial power to afford print runs in huge numbers. This shows that it is impossible to make huge profits without

reaching high number of print-runs for published books, notably over 100,000, which can be possible through famous author-cheap price strategy¹¹¹.

As a matter of fact, pricing policy has always been one of the most important tools to manipulate demand for books and this trend is still a widespread phenomenon in the Turkish book market, especially for books of popular or “star” authors. In the Turkish book market, cheap-book campaign divided publishers into two camps and a discussion in the media about book prices has started yet again between opposing thoughts. In the first camp, during interviews, many owners of major publishing companies and executive members of TPA criticized these campaign because it brings loss of confidence to publishers by readers—who are confused by different prices for books in similar volumes. It was also noted that publishers in this camp think that these campaign will not be long-lasting and it is meaningless to claim publishing companies about high book prices because there is not such a case for the Turkish book market¹¹². More importantly, they criticize such attempts by small companies to hit bestseller market and acquire huge speculative profits through these campaigns.

As a matter of fact, cheap book campaigns and speculative profits could be possible due to two reasons: first, because there is no rule regulating book prices in the Turkish book market, such as “fixed-price” system as price checking mechanism, which is employed in developed book industries as a regulative tool¹¹³ and price changes can only be possible for the remainder books and the sales in wholesale campaigns; second, as noted previously, small publishing companies can employ such strategy due to lower management costs paid by them. In these respects, mostly major companies in the first camp (against cheap-book campaigns), are against cheap book campaigns, and criticize such attempts since they bring negative outcomes on

¹¹¹ During interviews, publishers stated that it is possible to exceed such numbers for books of famous authors and popular figures in the media as such: Ayşe Kulin, Ahmet Altan, Orhan Kemal, Buket Uzuner, Ayşe Arman, Gülse Birsell, Orhan Pamuk, İnci Aral, Hıfzı Topuz, Oya Baydar, Tuna Kiremitçi, Kürşat Başar, Pakize Suda, İpek Ongun.

¹¹² For example, Yaşın, M., (Doğan Publishing General Director), “Yayınlarını Suçlamayın”; Radikal, 23, 02, 2004.

¹¹³ On that matter, not only publishing companies in the Turkish book market but also governmental bodies are reluctant to establish such regulative and obligatory rules and principles to organize competition.

the way towards institutionalization of book publishing companies and industrialization. As Tuğrul Paşaoğlu (İletişim) states,

There are aggressive behaviors led by merchant logic in the book publishing sector. The characteristic of them are: they do not take the inner dynamics or structure of the sector into consideration; their only purpose is to catch bestsellers or producing cheap books in great quantities and to make money in short runs; and thus, they dynamite the stable and permanent structure in the long run. Those characteristics are obstacles on the development of sector in short terms and in long terms, to the institutionalization of book companies and industrialization of the book publishing business in the future.¹¹⁴

In the second camp, there are ones for cheap book campaigns. During interviews, it was stated by owners of some book publishing companies that cheap book campaigns play a crucial role to make book as a more popular item though attracting reader interest thanks to sale of books for lower prices. Furthermore, contrary to those who suggest that it is an impediment on the way towards industrialization, there are some publishers who suggest that cheap book campaigns foster industrialization dynamics as a result of profits derived by publishing companies seeking such a strategy¹¹⁵. Moreover, one of the owners of a small publishing stated that “it is inevitable for small companies or new comers of the market, pursuing cheap book strategy in several titles in order to cover setup costs of the company and to be a well-known company in the market, in short terms.

As a matter of fact, discussions in the media about Turkish book publishing industry are mostly dominated in two topics: book prices and piracy. Especially after 2000, mostly in media channels (TV channels, newspapers, and magazines) owned by

¹¹⁴ From such a point of view, the commercial mentality that is discussed with reference to the behavior of publishers can be related to the search for quick returns and ignorance of the rules and regulations for the industrialization of the sector. The lack of such an industrial outlook (for such an argument, see Buğra, 2000), however, cannot be seen as the consequence of the historical dependency of businessmen upon state intervention. It should be related to the search of capitalist for expanded reproduction of capital and making profits, not necessarily through making investment and pushing for the formation of legal basis functioning for the industrialization.

¹¹⁵ For example, Ömer Yenici— owner of Epsilon Publishing, which is a company seeking cheap book strategy for several titles written by famous authors and popular figures in the media—suggest such a view. See, <http://www.tempodergisi.com.tr/eglence/kitap/06060/>.

Doğan Media Group, a hot debate has started about book prices. After an article written by Cem Akaş who suggests that book prices are too high and publishing companies' profit maximization motives are influential on this situation¹¹⁶, and response given by General Director of Radikal, İsmet Berkan who also suggest that book prices should be lower which is crucial for sectoral development and attracting reader interest for books¹¹⁷. After Berkan's newspaper writings, many columnists wrote articles in newspapers and magazines supporting Akaş and Berkan, and criticized publishing companies as they did not cut prices to a level that everyone can read. Interestingly, during these discussions still continue today¹¹⁸, it was witnessed that innumerable cheap-book campaigns have started in the Turkish book market and still continuing today.

Another dominant topic, which is closely related with book prices discussion, in media discussions is the "piracy" phenomenon, which showed an upward trend especially during 1990s, through hitting profits acquired from bestseller books of major publishers. Another important reason of increasing discussions on piracy in the book market is serious changes in copyright law (FSEK) after 2000s, one is in 2001 and the other in 2004, which brought solution to piracy in the Turkish book market to a certain extent¹¹⁹. It should be specifically noted that many scholars in media

¹¹⁶ See Cem Akaş, "Korsan Yayına Güzelleme"; Radikal, 02, 02, 2004

¹¹⁷ See, İsmet Berkan, "Ucuz Kitap, Yaygın Dağıtım"; Radikal, 25, 02, 2004.

¹¹⁸ For some articles, see Z. Atbaşoğlu, "Ben korsandan yanayım"; Virgül, Nov. 1998, p. 27; B. Somay, "Ben almayayım, mersi!"; Virgül, November 1998, pp: 28–29; Murat Uçar, "Kağıttan Gemiden Korsan Savaşları", Aksiyon, No.194.

¹¹⁹ It can be said that these legal amendments were introduced in accordance with EU accession process and requirements of trade relations with U.S. companies in respective sectors. According to the Turkish Publishers Association, total volume of the pirate market sales has reached to 60% in 2004 and it decreased to a level of 40% after the legal amendments in 2004. TPA states that the market value of piracy is about \$200-250 million, which mean a tax loss of the state about \$70 million and loss of the authors, publishers, translators, booksellers, printing houses and distributors is about \$150 million. As was stated above, the scope of legal framework was expanded especially after the legal amendments in FSEK in 2004 and, the effect of the new law was almost immediate, with major campaigns carried out against street piracy in mid-2004. While the law lowered criminal penalties to address the judges' concerns, the amendments also banned the street sale of copyrighted works, granted *ex officio* powers to law enforcement authorities, subjected pirates to possible prosecution under the Organized Crime Law (Law No. 4422 on the Struggle Against Organized Crime Aimed at Unlawful Gain and Benefit). The new penalties are up to TL250 billion or a prison term of between 3 months and 6 years. See <http://www.iipa.com/rbc/2005/2005SPEC301TURKEY.pdf>; EDİSAM, "Kitap Kitapçıda Satılır: Korsan Yayın Nedir? Nasıl Önlenir?" Booklet, 2004.

discussions relate high level of piracy rates to the level of book prices and suggest that a decrease in average level of book prices may bring a solution to overcome dominance of the Turkish market with pirate market book sales¹²⁰. As a matter of fact, whereas cheap book campaigns may be influential to lower piracy rates in the Turkish book market, it is even impossible for book publishing companies to compete with pirate producers. This is so because of the fact that costs of producing a pirate version are much lower than actual costs of book production as mentioned above. Pirate producers are exempt from paying royalty to the authors and translators, tax to government and management costs, and only physical production costs, which only include printing and copying costs. To make a comparison, during interviewing with a street vendor selling pirate books, it was mentioned that the production costs of a pirate book for pirate producer are about 10-15 % of the retail value of that book in the market, and profit margin increases for the bestsellers books sold in higher prices¹²¹. While this is the case, it should be also noted that there is no active collaboration between small and major publishers to fight against piracy through exerting pressure to governmental authorities and professional associations such as TPA and BESAM. During interviews, it was criticized that small publishers seem reluctant for such cooperation due to the fact that pirates mostly target bestseller books of famous authors published by major companies that can afford huge promotion costs and use media channels more effectively to promote their books. As a last point, which is discussed during interviews and a hot topic in media discussions, major publishing companies accuse small ones of being in pirate book publishing business. Whereas it is not proved officially, almost all interviewees—

¹²⁰ For example, another columnist Refik Durbaş (Sabah, 15.02.2004) criticizes publishers in putting high prices for books and pirate consumption becomes inevitable for the readers whose income level is too low in Turkey. See also, İsmet Berkan, “Fiyat korsanın kurdudur”, Radikal, 15, 02, 2004; Ç. Öztürk, “Korsanlar Neden Var?”, Radikal, 21, 03, 2004; Murat Uçar, “Kağıttan Gemiden Korsan Savaşları”; Aksiyon, No.194. There are also some websites criticizing book prices-which are far above purchasing power of people and thus must be cheaper- and providing e-book versions of books for the visitors of the site. For an example, see www.korsankitap.com and Radikal Kültür-Sanat, 02/04/2006, p.23.

¹²¹ For an article comparing production costs between legal publishers and pirate publishers, see G.M. Sökmen, “Devletle Korsan Arasında”; Virgül; 1998/ 11: pp.56-58

Directory of Copyrights, TPA, publishing companies, and scholars— stated that they believe the factualness of such a situation¹²².

In sum, discussions about production costs for a book and respective book prices-piracy relation should be understood by taking one dimension into consideration, in particular “the conditions of competition” between small and major companies, and in general inner dynamics of capitalist mode of production which bring out such tendencies: there are no regulative tools (standards, rules, principles of business) and cooperation between publishing companies to overcome problems in this field, and transparency about actual costs of book production and activities of publishing companies, as witnessed during interviews. In the following section, another side of this discussion is analyzed.

3.3.6. Control of Sales and Copyright Piracy

Publishing companies keep regular records in their databases to calculate its gains or losses through sales. However, in the Turkish book publishing market, publishing companies do not give much information to the Turkish Publishers Association and the Ministry of Culture about their actual sales by an interesting claim: “commercial secret”. Both Ministry of Culture and Turkish Publishers Association remained reluctant or weak to enforce sanction to form a database collecting data from publishing companies about their sales. As a matter of fact, banderole purchases by publishing companies are not even kept on databases.

This situation was also witnessed during interviews with publishers, in their words “I can not tell”, “commercial secrecy”, “private information” and so on. In other words, secrecy has become a norm in the Turkish book publishing sector and this situation causes many serious problems. The author of a book or the translator have no means of access on his/her book sales, thus it is left to the mercy of the publisher. As mentioned above, this becomes impossible at all for authors and executors in case of

¹²² See, for examples, Cem Akaş, “Yasal korsanlar tespit edilmeli”, Radikal, 23, 02, 2004 and “Korsan Yayına Güzelleme”, Radikal, 02, 02, 2004; Metin Celal, “Benim Korsanım Melektir!”, Radikal, 09, 02, 2004; İsmet Berkan, “Korsan Kitap, Korsan Yayınevi” Radikal, 01, 02, 2004.

high number of editions. Furthermore, many problems are seen in the banderole system. Therefore, confusions occur in many aspects about both control of sales and banderole purchases and informal structure of the market brings the discussions about illegal operations, namely copyright infringements, by publishing companies.

Although publishers state that banderole system has been functional to control book sales and prevent from piracy in the book publishing market, they claim that malfunctioning and lack of control mechanisms of banderoles only seem to bring many problems leading to increasing activities of pirate producers and illegal operations of some publishing companies. IIPA also states that banderole system needs improvements. IIPA reports that some strengthened provisions were introduced in the 2001 copyright law (including the possibility of criminal penalties for unauthorized uses of banderoles or dealing in works without banderoles) but those remain largely untested. When the banderole system is first executed on the non-periodical publications, the law included that publishers and bookselling points have to stick banderoles for the books published in earlier years and some booksellers or bookshops and stationeries (especially in the Anatolian region where control mechanisms are less) could get large amounts of banderoles, which resulted in practices of sticking banderoles on the pirate books¹²³. Furthermore, some publishers during interviews claimed The Ministry of Culture and Tourism in the sense that its provincial units are in competition to sell banderoles to almost everyone without no control and checking mechanisms. As another important problem, there are huge amounts of unused banderoles that are not secured adequately in some plants¹²⁴.

¹²³ This situation was also concurred by during interview made with Özlem Abacıoğlu, from The General Directory of Copyrights.

¹²⁴ Recently, 3 million banderoles were stolen from the Istanbul Office of The General Directory of Copyrights and it is predicted that those stolen banderoles are used for the pirate products, such as books, VCDs, DVDs, in the Turkish market.

In addition, during interviews, publishers stressed upon many examples of illegal operations in the Turkish book publishing sector. The first one is that some publishers usually purchase a large amount of banderoles for the future uses and sometimes some of those banderoles are seen on the pirate versions¹²⁵. The second is that some publishers sometimes stick the banderoles they had taken previously for other copyright materials such as the records, CDs and DVDs. One other practice is that some publishers produce more books than the number they agreed with the author and take less banderoles than the number agreed in the contract. During interviews, executive members of TPA stated that if the government will continue to keep the banderole system, it must take immediate steps to ensure control mechanism on the banderole purchases and prosecution of using banderoles without authorization to the full extent of the copyright law, Article 81, which provides for fines and imprisonments for such violations. However, whereas serious developments were seen after 2004 amendments, banderole system is still problematic and needs improvements as a regulative tool to control book sales¹²⁶.

The interviews made with executive members of TPA and publishing companies revealed the fact that even TPA (as a professional organization of Turkish book publishing sector) and competing companies cannot have access to data about actual sales. As a matter of fact, there is also no strict control of book sales by the Ministry of Finance as profits acquired from Turkish book publishing sector always seem too little. Such an ambiguity gives birth to the speculative use of book sale numbers announced by companies and written on book covers for promotional purpose. This is also the case in that publishing companies use number of editions speculatively to promote their books more effectively and attract reader interest through writing terms on front or back cover of the books such as “1st edition:100,000 print-run”. Moreover, almost all book publishing companies prefer to publish books in small print-runs in editions because it becomes impossible to control banderole purchases

¹²⁵ Sabri Kuşkonmaz from BESAM—who is also a famous intellectual property lawyer—mentions this situation as such: “...there is no transparency. In addition, not all data are shared on a digital environment. There are pirate publishers operating under legal identities but there is no control. Commercial logic and motives are dominant as well as illegal methods”.

¹²⁶ On that matter, see Muhsin Öztürk, “Bandrol Kime Yarıyor?”, *Aksiyon*, No. 378.

and so sales for a title as long as number of editions increases. Obviously, such a strategy, i.e. writing front or back cover of books such as “25th edition” “50th edition” is mostly employed by publishers for promotional purposes. This ambiguity and lack of control on sales or access data on sales make also impossible for authors to learn about his/her book actual sale records.

In sum, as discussed in previous section and in the light of such absence in control mechanisms for sales , what is missing in the discussions in the Turkey is indisputable fact that problematic character of controlling and recording about activities of publishers and transactions in the market is an important indicator to understand high level of copyright piracy.

CHAPTER 4

CONCLUSION

In this present study, historical conditions of book publishing industry in Turkey since Ottoman practices onwards and recent developments-problems seen in the current structure of Turkish book publishing market have been addressed by a special emphasis on the preconditions of profit-maximization and capital accumulation during different processes of commodification, commercialization and industrialization within the field of cultural production. The questions instigated such a study had a wide range of variety: How can we understand distinguishing features of book production in advanced capitalist countries within the context of industrialization dynamics when compared to the Turkish case? On the other side, in which aspects, the existence of industrialization dynamics and trends similar to the developed book publishing industries can be seen in Turkish book publishing? What are the conditions and impediments that have become influential on the development of book publishing sector in Turkey on the way towards industrialization? What are the characteristics of the Turkish book market and through which processes value of books is realized in Turkish book publishing industry? How can belief in the market and consumer-democracy affect the way we read the books?

The first chapter has dealt with the differences and similarities in historical conditions of development of book publishing industry, conditions of competition within the existing market structures between EU-US countries and Turkish case. It was stated that there are deep historical roots of these differences between developed book publishing industries and Turkish book publishing. As a matter of fact, the contrast is not merely a matter of material differences, i.e. simply the outcome of inept capitalism of Turkish publishing, but it is the outcome of intimately entangled economic, political, and judicial processes playing their part over history. On the other side, it can be argued that the development process of book publishing industry in Turkey increasingly reflects similar trends and tendencies, which are discussed in

the analysis of developed book publishing industries where profit-maximization motives and conditions of competition have changed the equation as a result of changing ownership structure. Both in EU-US countries and in Turkey, book publishing has always been not only a business to make money but also an intellectually and politically engaged profession. On the other side, environment of traditional publishing and possibility for independent or small publishers to stay in the market and contribute to diversity through titles in different subjects and critical issues is increasingly coming to an end. Within this framework, the first point should be stressed is that industrialization of book production today denotes an increasing practice of submerging book production under the logic of capital and laws of capital accumulation which in turn serves to the commodification of book production and its specific organization through multiple processes. In fact, this tendency can also be seen in all fields of cultural commodity production or other sectors of today's culture industries.

While this is the case, it can be said that there are still many features and particularities that make Turkish book publishing industry different from the Western case. The analysis of the Turkish book publishing market made in Chapter 3, in this sense, reflects distinguishing features and ongoing problems of the Turkish book publishing sector, which were analyzed in three headings: the market structure, capital structure, and organization of production of the books for the market through different cycles of capital. In addition to these parameters, regulative-legal framework was also discussed to reflect the different organization and protection of copyright-related matters in the Turkish book publishing sector. With regard to the market structure of book publishing in Turkey, it can be said that there is a high level of demand uncertainty and low levels of sales to lead business further, in larger economies of scale. Although the title production increased significantly in past 10 years, publishing companies in the Turkish book market failed to meet such increase with a larger mass of readers and increase in sales. Furthermore, number of printed books in the first edition fell significantly and this resulted with an increase in the costs of production per unit and increased the prices. As level of prices has always been important to attract the reader interest, sales could not be manipulated and market growth in volume was not realized. When general economic conditions such

as high levels of inflation rates which negatively affected costs of production as a result of importation of required raw materials and technologies in book publishing as well as levels of general welfare, consumer purchasing power, and increasing piracy phenomenon after 1990s are added to these conditions, the direct result has been the market instability in growth and high levels of demand uncertainty which impeded on the preconditions of profit maximization and capital accumulation through book publishing business. In addition to these results, one important result has been the ongoing reluctance of enterprises activating in other sectors of Turkish economy and multinational foreign publishers to invest to the Turkish book market. As scope of investments remained limited and insufficient, publishing companies in the Turkish market failed to establish extensive and nationwide distribution and marketing mechanisms (i.e. Internet sales, sale of used and remainder books, book club sales, sales through large bookstore chains, wholesales) to reach a larger audience. In addition, almost all publishing companies are under family management and family ownership structure and this traditional ownership structure impeded on taking more risks, directing more intensive capital investments in the sector, and abandoning commercial-shortsightedness to carry business to larger scale. As a result, the first hypothesis is that scope of investments, scale of book publishing companies and turnovers in the Turkish book market could not be enough to foster industrial development

Apart from these conditions, conditions of competition between small and major publishing companies reflect very substantial differences as well as some similarities that can be evaluated within the framework of general laws or tendencies of capitalist competition in the case of cultural commodity production. Since there are no barriers to enter the market or power of major publishing companies to reduce expansive competition in the market through employing corporate strategies, set-up costs and investments to enter the book publishing business are actually low, preconditions of profit-maximization and capital accumulation in the Turkish book publishing market are also restricted. As a matter of fact, the Turkish book publishing market is comprised of a huge amount of small-scaled publishing companies which strive to stay in the market in a standby position through low levels of print-runs and title production; and try to stay in the market through low levels of profitability and seek

to search for the conditions of speculative bestseller successes in short terms, actually which is also mostly impossible for them due to their weak financial strength to expense for huge promotional costs through various media channels. As stated by almost all major publishers during interviews, on the one hand, this situation brings serious advantages to take advantage in competition but on the other hand, serious impediments to success their profit-maximization and capital accumulation strategies due to high number of publishing companies competing in the market to take share from such a small cake. Another crucial impediment on the way to success strategies, which are mostly employed by major book publishing companies in distribution, marketing and promotion of their published titles in a wide range of subjects, is the dominancy of pirate activities, which mostly target to exploit potential bestseller successes of major publishing companies. Small publishing companies also get the advantage of carrying business less risky through limited number of titles published in a year through highly lower management costs. Then, obviously, this situation brings many important problems in the organization of book production for the market and many different forms of “archaic” practices are commonly seen in the Turkish book market.

Level of technology and methods utilized in the book production process, and practices, rules and regulations in the organization of book business—which come out as a result of long established tradition—are the major parameters that lead a differentiation between developed book publishing industries and Turkish case. It can be said that many publishers are still ill-equipped with let alone printing and publishing technologies but also office machines. In general, computerization level is still too low to organize many activities in the organization of book production. Recent transformations in the technological benefits changing the nature and traditional organization of publishing, such as “print on demand” technology and “desktop publishing”, can not be updated and utilized by many publishers. In the Turkish book market, many services are still “outsourced” by almost all publishers, especially the case for the small ones. Almost all small publishing companies provide pre-printing, printing, distribution, marketing and promotion services from related sectors. To a large extent, printers organize many services within their body for the physical production of the books. Actually, publishing companies can utilize new

technologies for printing in flexible numbers and more qualified editions, thanks to the restructuring process of printing sector in Turkey after mid-1980s. Furthermore, almost all publishing companies work with university students to carry on services such as editorial work, translating, and cover designing. The amount of capital invested in the book business and profits gained from sales are still not enough to employ professional and qualified editors and personnel for an industrial organization of book production. Furthermore, traditional structure reflects itself in the organization of book production, for example, close relations between editor and owner of the company continue during the preparation process of books. The owner of the company is also decision-giver in many processes from the organization of production, distribution, to the promotion for the books. Many book publishing companies in the Turkish book publishing sector carry on their operations by limited numbers of personnel. A great deal of publishing companies, mostly small ones, still have no contact with copyright agencies and the owner of the company is responsible from the contract process with the foreign author. In this sense, another hypothesis of this study is that level of technology and methods utilized in the book production process, and practices, rules and regulations in the organization of book business—which come out as a result of long established tradition—are the major parameters that lead a differentiation between developed book publishing industries and Turkish case.

As a matter of fact, as stated earlier, conditions of competition is influential on production of books for the market in such a problematic structure. Whereas there has been profound changes in the capital structure of major publishing companies and horizontal forms n integration—especially through marketing processes of books-establishing large bookstore chains— have been witnessed during last decades; it is still the case that major companies failed to make small publishing companies resource and service dependent, as seen in developed book industries in EU and US countries. It is also the case in establishment of standardization regulating book publishing business in different steps of value chain—i.e. standards in discount rates, fixed price system, consignment sales— by major book publishing companies. In fact, it can be argued that some major book publishing companies are also reluctant to establish such norms and principles in the market. This can be seen

in recent uprising of “cheap book campaigns” in the Turkish book market, which divided major publishing companies into two camps. In this sense, conditions of competition are not the case for only between small and major publishing companies but also between major publishing companies.

The situation discussed above is also the case about the control of sales. Whether small or major, in fact, publishing companies do not have any information about each others’ sales. Absence of sufficient data on book sales due to lack of data flow between governmental authorities, publishing companies and professional organizations, there is no systematic research carried by TPA or database formed by Directory of Copyrights of the Ministry of Culture and control of records or databases kept by Ministry of Finance. During interviews made with the publishing companies, whether major or small, all publishers did not want to respond the questions on that matter, by a popular claim of “commercial secret”. In this sense, in spite of dominant discourse of transparency, it can be said that secrecy is a norm in the Turkish book market. For example, almost all publishers and executors of TPA accepted the existence of pirate activities under legal labels. The current informal structure and lack of control mechanisms on sales achieved by publishing companies brought additional problems in strict enforcement of copyright-related matters. Then, one other hypothesis of this study is that piracy phenomenon should be thought both as an impediment on the way towards industrialization and also, as a direct result of lack of regulative mechanisms to control sales and informal structure of the book publishing sector in Turkey, within the context of conditions of competition between small and major companies and inherent logic of capitalism.

As discussed in Chapter 2 and 3, ideological aspirations and political attitudes of the state as seen through cultural and educational policies made further progress of book publishing sector towards reaching to a large population difficult. As a result, for a long period, books have been perceived by a large mass of population as a means of education, rather than as a necessary cultural and intellectual activity of humankind. Public libraries, which still maintain the most proper way to access books for a large population, failed to meet demands as a result of the neo-liberal policies bringing serious cuts in public expenditures. During interviews, it was specifically stated by

publishers that political patronage relations become influential in each period of government in granting privileges to companies, which have close political and ideological relations, in book purchases to public libraries. During interviews, almost all major publishers also mentioned that publishing activities of government institutions indicate an obstacle for them on profit maximization and capital accumulation. On the other side, state controls and regulates the field of educational books publishing through the National Ministry of Education and awards contract with private publishing companies who offers the lowest tender for the primary school books. In this sense, state policies have become an important factor in the commercialization of book publishing during recent years, as seen in the case of school books. However, in addition to low levels of consumer income and successive increases in book prices after 1980s; absence of financial support of governments to publishers— i.e. in determination of VAT rates for books— and abolishment of state subsidies regulating paper prices- which had been an important tool to prevent publishers from excessive price rises before 1980s- resulted in perception of book as a luxury consumption item for a large section of population. In addition to these factors, state's reluctance to enforce strict copyright regulation and to control the sales achieved by the publishing companies introduced the piracy phenomenon as a striking problem than has ever been after 1990s.

The totality of all these factors mentioned above brought the fact that Turkish book publishing can be evaluated as an “infant industry” until the 1990s. On the other side, it should be noted there has existed significant developments during recent decade, which can be evaluated within the context of the industrialization dynamics of book publishing in Turkey. Especially after the 1990s, there have been profound developments in the industrial organization of book production for the market as a result of increasing technological opportunities utilized during production, distribution and marketing processes of books; intensifying investments in different cycles of capital by entrance of banking and media capital to the Turkish book market; employment of new methods, tactics and channels to promote books to a larger section of readers, as well as introduction of new genres and campaigns by publishing companies in order to manipulate demand for books; and finally significant developments in professional organization of book publishing, especially

through authorship and editorship which are increasingly in the process of becoming distinct professions. Consequently, in the light of these tendencies and developments, it would not be a mistake to suggest that the Turkish book publishing sector increasingly takes place in global trends shaping book business. It can be predicted that industrialization dynamics will accelerate and impact more upon the structure and development of book publishing sector in Turkey in next decades, in accordance with the global trends in book publishing, which is evident by increasing concentration and profit-maximization and competition minimizing pressure of major groups, eliminating small and independent actors in this field and increasing commercialization.

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APPENDICES

APPENDIX A

PUBLISHERS PROFILE OF TURKEY

Ministry of Culture General Directorate of Libraries
Turkey ISBN Agent

Time Interval: 01/01/1987 – 01/10/ 2002

Number of Publishers Recorded To the System In Interval: 7542

Table 5. Distribution of Publishers According to Cities (First Ten)

CITY	NUMBER OF PUBL.
ANKARA	2713
İSTANBUL	2414
İZMİR	401
KONYA	137
BURSA	123
ESKİŞEHİR	115
ADANA	107
ANTALYA	101
TRABZON	83
SAMSUN	80

Table 6. First Ten Publishers Taking ISBN (01.01.1987- 01.10.2002)

PUBLISHER	THE NUMBER OF PUBLICATIONS
PRIME MINISTRY	3164
MINISTRY OF CULTURE	2560
NATIONAL MINISTRY OF EDUCATION	2125
İNKILAP PUBLISHING	1890
ATATÜRK CULTURE, LANGUAGE AND HISTORY HIGH INSTITUTION	1489
YAPI KREDİ PUBLISHING CO.	1457
ALFA PUBLISHING DISTRIBUTIONS LTD.	1377
CAN PUBLISHING	1353
BETA PUBLISHING DISTRIBUTION LTD.	1123
SERHAT PUBLISHING CO.	1070

Table 7. Distribution of Publishers According to Types (1987-2002)

PUBLISHER TYPE	NUMBER OF PUBLISHERS
PERSON	3738
PUBLISHER/FIRM	2694
FOUNDATION/ ASSOCIATION	805
INSTITUTION	125
OTHER	76
UNIVERSITY	68
NEWSPAPER/MAGAZINE	6

Total ISBN Number Given: 120.189 **Published At the Time Interval:** 118.685
At The Time Interval: 48.561 **Number Of Publications At The Time Interval:** 187.755.974

Table 8. Distribution of Materials That Are Given ISBN at the Time Interval According to Cities (top 10)

CITY	NUMBER OF MATERIALS
İSTANBUL	27115
ANKARA	15592
İZMİR	1601
ESKİŞEHİR	507
BURSA	447
KONYA	428
KAYSERİ	309
ADANA	268
ERZURUM	211
ANTALYA	147

Table 9. Distribution of Materials Given at the Time Interval According to the Types of Publishers

TYPE OF PUBLISHER	NUMBER OF MATERIALS
Publishing House/Firm	34877
Institution	4823
Foundation/ Association	3323
Person	3253
University	2051
Other	228
Newspaper/Magazine	6

Table 10. Distribution of Materials Given ISBN at the Time Interval According to Types

TYPE OF METARIAL	NUMBER OF MATERIALS
Book	47868
Dictionary	438
CD	124
Record	66
Map	41
Electronic Publication	7
Braille	7
Video- Cassette	6
Book-CD	3
Magazine	1

Table 11. Distribution of Materials Given ISBN at the Time Interval According to Languages

LANGUAGE OF THE MATERIAL	NUMBER OF MATERIALS
TURKISH	44468
ENGLISH	2784
ARABIC	325
GERMAN	256
FRENCH	179
RUSSIAN	103
KURDISH	80
MULTI-LANGUAGE	51
ITALIAN	42
SPANISH	35

Note: The data are compiled from The General Directory of Libraries, Turkey ISBN Agency, and Turkish Publishers Association, including the ISBN numbers between 1987 and 2002, and are prepared based on the inquiries sent by publishers to ISBN agency. The scale includes the whole country and whole types.

APPENDIX B

LIBRARIES IN TURKEY

Table 12. A General Statistical Overview

	Germany	France	England	Spain	Turkey
Number of public libraries	10.531	3.924	4.620	5.209	2024*
Number of libraries per 100,000 people***	12,8	6,6	7,8	13,03	2,9
Number of librarians employed	8.740	7.050	6.148	4.139	261
Number of members	7.370.529	12.159.026	33.664.000	7.992.568	334.225
Notes: * For 2002 data, Source: www.libecon.org **1432 by 2005 and 274 of them is closed. ***Average in EU countries is 10,5 Source: BİA; http://www.bianet.org/2005/03/28/					

Table 13. Libraries in Turkey: A Historical Overview

Years	Library	Books	Readers	Borrowed Books	Subscription to Periodicals	Number of Members	Compiled Books	Compiled Periodicals	Books Purchased	Binding Books	Personnel
1960	152	1369760	1130438								474
1963	348	2068370	4883583								642
1967	418	3021126	5590509								788
1972	611	3916821	8958348	1535883		248804					1622
1975	674	4540113	9901443	1790553		351327				133876	1677
1976	713	5337270	10404707	1750645		333098	6320	2413		147541	1900
1979	809	5955332	12815363	2066359		447901	5071	2222		231591	2601
1980	632	5135531	13341996	1452040		357761	4318	2019		165099	2680
1983	745	6041222	15920350	1917426		481827	7180	2487		215037	3003
1987	823	6820685	19167335	2415212	65	653761	6382	2856	40025	198591	3304
1991	938	8930267	18730918	2981873	89	850888	6522	3033	341679	137997	4112
1998	1343	11598444	20515171	4130219	114	498180	9383	2515	249505	80841	3212
2002	1436	12433310	22963578	4474438	125	424493	12552	2044	87791	23803	2842
2004	1432	12984801	20871850	4348267	116	427614	15438	2578	71021	11490	2529

APPENDIX C

BOOK TITLE PRODUCTION IN THE WORLD

Table 14. Title Production by Countries: A Historical Overview

YEARS —>	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
	<i>Titles</i>	<i>Titles</i>	<i>Titles</i>	<i>Titles</i>	<i>Titles</i>	<i>Titles</i>	<i>Titles</i>	<i>Titles</i>	<i>Titles</i>	<i>Titles</i>	<i>Titles</i>
Austria*	10378	10405	3628	4527	6681	7153	4574	7291	7487	6487	
Denmark	11082	11744	11761	11492	11973	12478	14184	13450	13175	14455	
France	38414	39492	38616	40916	41560	42997	46306	47214	50937	49808	
Germany	61015	67890	67277	67206	70643	74174	71515	77889	78042	80779	
Greece	2870	3400			4500			5364	5914		
Iceland			1670	1328	1513		1692	1695			
Italy	37780	40142	42007	43757	46676	49080	51134	45844		52262	
Netherlands	13691	12509	15997	16610	18001	18123	17544	17235		17235	
Poland		10991	11064	10071	11194		14234	15996	16462		
Portugal	6150	6430	6462	6341	6523	6933		8331	9196		
Spain	42207	43896	50644	49328	51048	51934	50159	54943	60426		
Sweden	12034	11866	12937	11191	12114	12700	13496	13210	12547	3683**	
Switzerland	9781	10438	10274	10602	10495	10790	10896	12435	9924	13694	
U.K.	63756	67704	77726	82322	89738	95064	102102	100029	102925	110155	
* Austria: after 1992 academic duplicates not included											
** Number of new /new editions only											
*** Dutch language books											
Data provided by IPA members. © IPA Geneva - last updated 02 April 2001											

APPENDIX D

GENERAL PANORAMA OF THE EU BOOK PUBLISHING INDUSTRY

Table 15. Annual Title Production in EU-25 Countries

Annual Title Production	1995	1996	1997	1998	1999	2000	2001	2002
Austria	7153	4574	7291	7487	6487	8459	7652	7802
Belgium	9835				9816			
Cyprus	n.a.							
Switzerland	8994	10244	11519	11738	12551	11965	14321	14278
Germany	74174	71515	77889	78042	80779	82936	85088	78896
Denmark	12478	14184	13450	13175	14455	14959	14319	14154
Estonia	2635	2628	3317	3090	3265	3466	3506	3458
Spain	51934	50159	54943	60426	61426	62224	67012	69893
Finland	13494	13103	12717	12887	13173	11764	12090	12069
France	42997							
Greece			5364	6622	7319	7514	6647	6596
Hungary	8749	8835	8941	10626	9731	8986	8837	9990
Ireland								
Italy	49080	51077	51866	52363	50262	55546		
Lithuania	3164	3642	3827	4109	4097	3709	4402	4859
Luxembourg	218				878			
Latvia	1968	1965	2320	2596	2652		2530	2546
Malta	404	493	485	415	417	414	466	444
Netherlands	18123	17554	17235		17235	19050	19281	19061
Poland	11925	14234	15996	16462	19480	22298	19760	19371
Portugal	6933	7868	8331	9146	10708	11490	11571	11331
Sweden	12700	13496	13210	12547	11988	10976	10932	10092
Slovenia	5057	5389	6273	6308	6432	6722	6605	6006
Slovak Rep.		3800	2064	4386	3153			
U.K.	95064	102102	100029	102925	108744	116415	119001	125390
Total	437079	443158	471656	453162	327854	501784	468435	475091

Notes: There is a clear upward trend in the large publishing markets of the EU Member Countries. The number of published titles has steadily risen in UK, Spain and France, while in German industry rose steadily until 2001 but 2002 shows a decline. In the smaller markets, the situation is mostly stable except in Portugal where there appears an increase and in Sweden where the number of published titles is decreasing.

Table 16. Book Sales in EU-25 Countries

Book Sales, in million €	1995	1996	1997	1998	1999	2000	2001	2002
Austria				615	654	636		
Belgium				1,000		151		1,100
Cyprus								
Switzerland								
Germany	8,825	9,023	8,907	9,100	9,220	9,410	9,412	9,224
Denmark					331	349	368	403
Estonia								
Spain						2,529	2,605	2,630
Finland	341	373	391	400	419	450	458	477
France				2485		2496	2557	
Greece					450			
Hungary							188	221
Ireland			50		63	63		78
Italy						3443	3477	3511
Lithuania								
Luxembourg								
Latvia								
Malta								
Netherlands						607	633	
Poland								
Portugal		252	284	290	363			
Sweden	375	392	368	380	412	404	412	463
Slovenia								
Slovak Rep.								
U.K.					4636	5207	5194	5492
Total	9541	10040	10000	14269	16548	25745	25304	23599

Notes: The sales statistics of Book Markets in Europe are mainly available from EU15 countries but there are still serious gaps in the data. There are several problems within the existing data. One of the biggest problems is the source used. The national branch associations of book publishers collect information only from their member companies and present a picture that usually underestimates the size of the national book markets, depending on the level of membership in each national association. More reliable data on sales is provided by the national associations of booksellers, but these are only available from a few nations. Some national statistical offices and governmental departments in the field of culture provide also information about book sales, but mainly they concentrate on book production and especially on title production. In this sense, it can be said that the lack of consistent and comparable data causes problems for further conclusions and therefore data must be interpreted with caution. This is the case as it will be seen in the following sections analyzing data on book publishing industry in Turkey and its comparison with the EU member nations' book publishing industries.

Table 17. Book Sales Per Capita in EU-25 Countries

Book Sales per capita, €	1995	1996	1997	1998	1999	2000	2001	2002
Austria				76	81	79		
Belgium				99		15		107
Cyprus								
Switzerland								
Germany	109	111	109	111	112	115	115	112
Denmark					63	66	69	76
Estonia								
Spain						64	66	66
Finland	67	73	77	78	82	87	89	92
France				43		43	44	
Greece					43			
Hungary							18	22
Ireland			14		17	17		21
Italy						60	60	61
Lithuania								
Luxembourg								
Latvia								
Malta								
Netherlands						39	40	
Poland								
Portugal		25	28	29	36			
Sweden	43	45	42	43	47	46	47	52
Slovenia								
Slovak Rep.								
U.K.					79	88	87	92
Total								

Notes: Despite the large differences in absolute market sizes between EU member countries, when comparison is made by taking into account the size of the population in each member country, the relative size of the markets evens out. This also reflects how much money is used for books per capita in each nation. In annual book sales per capita, Germany is the first, UK holds the second place, but such countries as Austria, Belgium, Denmark, Finland, Sweden rise in rank. Among available statistics above, it can be said that the lowest book sales per capita is seen in Turkey.

Source: European Directorate-General, “Publishing Market Watch Final Report”, 2005.