

Quoted from the

SMALL BUSINESS ADMINISTRATION

Office of Advocacy, U.S. SBA

*Small Business Survival In Competition
With Large Multi-Unit Retail Firms*

On-Demand Printing - There are currently two models of on-demand printing. Wholesalers offer on demand printing services from their warehouses. The equipment used by wholesalers and publishers to perform on-demand printing is expensive, costing over half a million dollars, but new printing technologies are making in-store on-demand printing economically feasible.

In the future, publishers may choose to use on-demand printing ... Tax rules penalize publishers for holding on to slow moving inventory, thus giving them an incentive to take titles out of print and allow the rights to revert to the author.

On-demand printing removes the requirement to maintain inventory to keep a book in print. For a small investment, publishers can bring a title back into print and have it “in stock” ...

Several products coming to market in the near future will reduce the cost of on-demand printing, rendering it possible for individual stores to purchase this equipment.

Companies such as InstaBook Maker offer a “print-instore” model.

This company sells equipment which allows for in-store printing of a set of digitized titles.

The InstaBook Maker is currently available for \$29,000 and is being installed in a number of publisher offices. A two hundred page book can be completed in five minutes, including downloading time.

The machine requires minimal training to operate and is approximately 4' by 3' by 2.5', and thus could reasonably be located in a small bookstore.

It is quite possible that the number of digital titles available for on-demand printing could exceed 100,000 in the near future. ⁶

In-store printing of books could offer land-based booksellers a competitive advantage over online retailers by allowing them to make a greater number of titles available in their stores.

The president of InstaBook -Mr. Victor Celorio-claims that a bookseller would need to sell only two to three books a day to break even on the cost of their \$29,000 machine.

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