

Stamping out controversy

Holding Canada's largest book and magazine retailer to a higher standard

BY SCOTT BULLOCK

It started innocently enough. After all, we were talking about Adolph Hitler's book, *Mein Kampf*. It was easy to understand why Heather Reisman didn't want it in her stores.

Next came the de-listing of all gun magazines. No one got upset. Even distributors didn't blink, as the category is low-sell-through and unit sales are in decline.

Then *Western Standard* was yanked off the shelves for publishing a few of the Mohammed cartoons. Some even applauded the removal of the right-wing magazine.

But then something different happened. *Harper's* was refused a place on the shelves at Chapters/Indigo—the *Harper's* that has been around for 156 years; the *Harper's* that published original work by Mark Twain, Winston Churchill and Norman Mailer; the left wing *Harper's*. At least Chapters/Indigo is an equal opportunity censor.

Distributors and wholesalers are unfairly blamed for many things: putting out too many or too few copies, shredding instead of re-distributing, et cetera. But they've never been censors.

They care about one thing: selling magazines. If it is legal under Canadian law, they deliver it to retailers who have signed authorizations to supply, or agreed to category management as part of their contract. There is nothing particularly high minded or virtuous about it, but there is nothing high-handed about it either. Basically, they just want to keep retail customers happy.

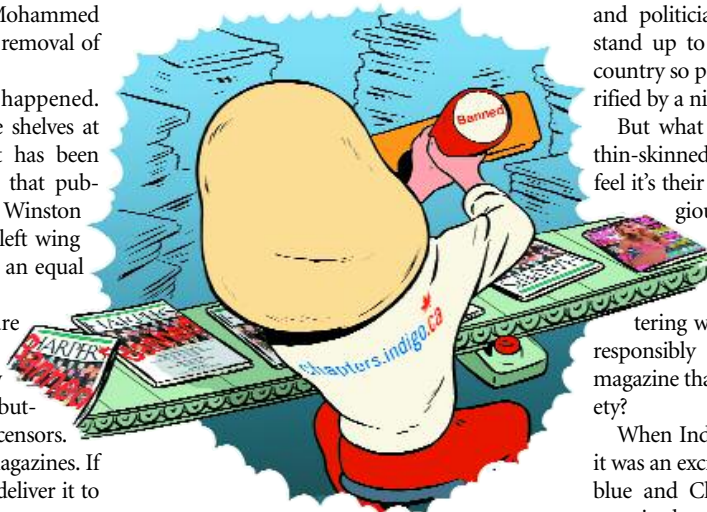
Normally, I'd be the first person to defend any retailer's right to carry one brand over another. What makes the Chapters/Indigo situation different is that when the Competition Bureau allowed the merger of these two former competitors, it granted the company a virtual monopoly on the bookstore class of trade. With that come certain responsibilities.

The Supreme Court of Canada has (through its ruling on the Québec's health care system) sent a signal: when a monopoly exists it is reasonable to expect consistent, uninterrupted service. A comparable responsibility is expected of police and ambulance drivers. While these folks may unionize, withdrawing services is frowned upon. Now, magazines are not a matter of life and death, but the fact is for many small-circulation magazines, Chapters/Indigo represents the majority of their single copy distribution.

If publishers have paid to print and ship mag-

azines in good faith, and if the content does not violate Canadian law, what's the problem exactly?

In fairness, Chapters/Indigo does a great job of selling magazines it does allow on the shelf. With ample space, fabulous point-of-purchase promotions and magnificent merchandising, it operates at high sell-through efficiencies (some say too high). And the buyers are generous with author-



izing new titles, particularly Canadian ones. Canadian publishers only wish other retailers were as committed to the category.

That said, John Spencer of Abacus Circulation says "Monopolies are passé. We need to re-introduce competition at the retail level if this is how Chapters/Indigo thinks it can behave. They have no justification for selectively deciding which issues of Magazine X should be on their shelves, unless a law has been broken. Small-circ magazines can't risk having their most important retail chain arbitrarily de-list one of their issues. This may already be causing self-censorship among some publishers, consciously or otherwise."

D.B. Scott, a leading industry consultant, says, "What makes the situation at Chapters/Indigo so worrying for special interest magazines is the arbitrary nature of yanking first and maybe explaining later. It is not a case of 'Don't offend our rules.' There are apparently no rules. It's more like playing a game of 'Guess what Heather Reisman's thinking!' Like it or not, special interest magazines have no reasonable alternative...they simply can't reach most of their single copy buy-

ers now without being in these stores. It's a shame she can't simply let readers decide which titles they want to read and which to leave on the shelf?"

Retail censorship is nothing new. In the United States, major grocery store chains have refused to display *Cosmopolitan* when the religious right freaks out. Wal-Mart is a bit touchy too. Here in Canada, we've always laughed at this kind of hyper-puritan reflex. We're so much more sophisticated. We scorn business leaders and politicians who don't have the spine to stand up to televangelists. We wonder how a country so powerful and cocksure can be so terrified by a nipple.

But what about us? Is Canadian society so thin-skinned that intelligent magazine retailers feel it's their job to protect us from certain religious or political ideas? Are our universally educated citizens ill equipped to make intelligent judgments about what to read, incapable of filtering what they read, or unable to behave responsibly once they've read it? Is *Harper's* magazine that much of a threat to our civil society?

When Indigo was competing with Chapters, it was an exciting time. Literacy was sexy. Indigo blue and Chapters red were everywhere. We were in the news and being talked about. I miss those days. Today the news is usually "who's been kicked out of Indigo/Chapters lately?"

The most recent victim was *Free Inquiry* by the way.

I'd rather be writing about how Chapters/Indigo was aggressively promoting Canadian magazines in special high traffic display locations, or taking a leadership role with the National Magazine Awards Foundation, or working to promote Canadian magazine editors and writers as literary superstars, or trying to make reading magazine as hip and fashionable as Britney Spears new tattoo.



Scott Bullock operates *Circ3*, a circulation consultancy. He has been consumer marketing director with Toronto Life, managing partner with *Coast to Coast Newsstand Services* and in 2003 was named *Magazine Marketer of the Year* by the *Circulation Management Association of Canada*. His column appears regularly in *Masthead*. You can reach him at scott@circ3.com.