

# Keeping alive the love of books

**B**OOK businesses in Singapore are failing at a frequency that is troubling. Each time a bookshop closes because sales cannot meet the rent, the nation's invisible store of cultural capital is diminished. People would not feel it immediately but gradual loss of an appetite for ideas through access to books may over time result in a creeping negativity and closing of the mind. Surely, being poorly read and informed is not what a society would aspire to.

The closure of Borders in 2011 over a rent dispute was widely lamented. Now, Popular Holdings' Prologue store at Ion Orchard has just about called it quits, following on the demise of the firm's Harris brand. Rent was implicated in

both instances. It is the Achilles' heel of retailers, but decidedly so in the book trade where generous space for shelving display and a wide variety of titles are obligatory.

Owners of malls and commercial buildings charge top dollar for leases. Renewal rates are based on prevailing property value, with little account taken of tenants' trading position. Commercial space has for many years now been a seller's market. Against this backdrop, Prologue's Ion store took up 16,000 sq ft of space in a notoriously pricey mall. With other overheads like wages, inventory and marketing and taking into account the thin margins in book-selling, it is little wonder the trade struggles.

Not many booksellers can get away with premium pricing, as at Kinokuniya's main store in Ngee Ann City which is of 43,000 sq ft. It has been an outlier in successful merchandising because of its astounding range (half a million titles, in English and Chinese) and, crucially, little discounting. Book entrepreneurs are obviously better off owning the space they use. They can cover trading costs, including discounts, yet make a profit. But this may work for small independents better than for chains, as owners of ample commercial space would just as soon be landlords.

So, how can certain services deemed essential be offered affordable space? It would be worth studying how certain

older buildings and locations can be zoned exclusively for socially valuable trades, such as books, with appropriate concessions given for a specified period. Such a concept might seem at odds with pure rational economic thinking, but zoning to achieve social objectives has been widely practised around the world. One idea might be to designate, say the Bras Basah Complex or the former MPH building in Stamford Road as intended for booksellers and related activities. Its proximity to the Singapore Management University and three arts colleges would make this a viable venture. Such zoning might mean lower rents for landlords, but businesses that promote social good are worth supporting.