

Bloodaxe Books Business Model Case Study

Mark Robinson, Thinking Practice



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A broad cultural Value Proposition, detailed commercial model and rigorous editorial focus have enabled Bloodaxe to sustain its operations through ups and downs in arts funding and high street retail.

Case Study Author:

Mark Robinson
Thinking Practice



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Bloodaxe Books Business Model Canvas



Bloodaxe Books sells more poetry books than any other subsidised publisher in Britain.

Introducing Bloodaxe Books

Bloodaxe Books was founded in Newcastle by Neil Astley in 1978. In 1982 he and Simon Thirsk became founder directors of Bloodaxe Books Ltd, now a non-profit limited company.

In 1997 one of the founder directors relocated. This led to the creation of sister companies to maximise funding potential and allow each founder to concentrate on particular functions.

The operation was split three ways:

1. Distribution moved to a succession of companies
2. Sales and finance was managed by sister company Pandon Press at Bala in North Wales
3. Editorial, publicity and rights moved to a new base in Northumberland

The organisation employs two full-time and five part-time staff in its two offices.

Bloodaxe Books received funding of £92,000 per annum from Arts Council England as a National Portfolio Organisation. This grant support makes it possible for Bloodaxe to:

- publish around thirty new titles a year
- maintain an extensive backlist
- sell more poetry books than any other subsidised publisher in Britain

Writers published by Bloodaxe Books include Nobel Prize Winner Tomas Tranströmer, Benjamin Zephaniah, John Agard, C.K. Williams, Moniza Alvi and hundreds of others. Their titles have won many prizes.

The Business Model

Co-director Simon Thirsk describes Bloodaxe Books as ‘a vital cog in the machine of contemporary poetry’; that is the heart of its Value Proposition.

Bloodaxe is active in finding, developing and promoting writers, reaching audiences and connecting the two. It then connects both writers and audiences through festivals, creative writing courses and other ‘cogs’ in the complicated system that makes up this relatively small - but powerful - artform.

The central element of the Value Proposition is ‘publishing an exceptional range of outstanding international poetry in well-designed books’.

Each element of that description is important to how Bloodaxe has worked. It has been determined to reach ‘the general reader’, as opposed to simply poetry specialists and aficionados. It is not just the selection of poets and the shaping of anthologies that are a key part of the Bloodaxe list but also the way the books look and feel. Although this was more unusual when Bloodaxe was founded, some major poetry publishers still tend not to have covers featuring artwork. Bloodaxe has been unashamed in its search to be not populist but popular. The design is important and not just the covers. The books are designed and printed to last and to feel new ten and more years later.

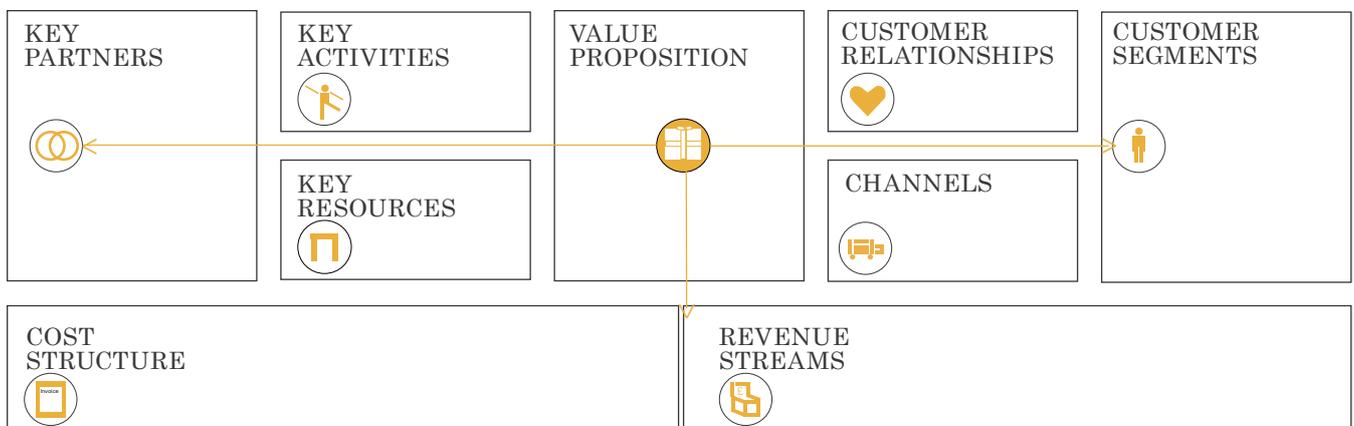
Bloodaxe’s Value Proposition is rooted in the starting point for the company in 1982. Founder and Editorial Director Neil Astley is one of the leading poetry editors in the UK and directs editorial functions. It is editorial choices about poets, their poems and their books that shape the company rather than a judgement about what will sell the most. This is not to say the process pays no heed to sales.

Careful projections allow Bloodaxe to budget for some successes in terms of sales and some titles that will sell smaller numbers but are valuable to arts funders such as Arts Council England and others. These funders often support the translations for which Bloodaxe is known.

This model allows Bloodaxe to serve a small specialist market. Research suggests the purchasers and readers of Bloodaxe books are mainly men, although audiences at events and festivals are largely female.

The innovation in Bloodaxe’s business model is very much driven by the Value Proposition. Some changes have been prompted by changes in the publishing industry or factors specific to key elements such as distributors. The main thrust of this, taking different forms at different points in time, has always been to get the best poetry to more people.

The Core of Business Model Innovation



Based on the Business Model Canvas by [Strategyzer.com](https://www.strategyzer.com)

Innovation in Bloodaxe’s business model is driven by the Value Proposition. Even when prompted by industry changes, the driving force for innovation has always been to get the best poetry to more people.

Bloodaxe has been through a number of iterations of repping its own titles into bookshops, using other agencies and hybrid models to get books to readers.

Getting the best poetry to more people

In recent years Bloodaxe has had a focus on themed anthologies. The trilogy *Staying Alive*, *Being Alive* and *Being Human* edited by Neil Astley for instance was explicitly conceived to expand readership. It used 'celebrity' endorsements to reach new readers. Theatrical stage shows have toured Britain using poems from the anthologies, created in collaboration with Jonathan Davidson of Midlands Creative Projects.

These have been followed up recently by a show based on an anthology of war poems to mark the centenary of the outbreak of World War 1. Bloodaxe was also involved in publishing poems as part of the Cultural Olympiad in 2012.

The Bloodaxe archive was sold to the University of Newcastle. It has been used for creative and research purposes since, including significant online and media activity. The partnership with Newcastle also brings in income via consultancy fees for Neil Astley who is a Visiting Fellow at the Newcastle Centre for Literary Arts.

Bloodaxe and the University have collaborated for some years on the Newcastle poetry Lectures, which are now delivered with the Newcastle Centre for Literary Arts. These were an innovation to expand Bloodaxe's educational reach, in the broadest sense, without losing the absolute focus on poets and their thinking. Each year a leading poet gives a series of lectures that are later published in book form by Bloodaxe.

Bloodaxe has been through a number of iterations of repping its own titles into bookshops, using other agencies and hybrid models to get books to readers. This is likely to change again in the future.

In recent years, sales have been reliant on repping into bookshops. Those bookshops have been placing

increasing emphasis on lowering overheads by reducing floor space and focusing on 'title management'. This means that books, which might have been in shops for the length of time necessary for some poetry titles to receive media attention or specialist reviews, are now returned much sooner. Bookshops have reduced their stock of slower selling genres, such as poetry, in order to reduce capital tied up in stock and maximise turnover of shelf-space.

Having been working with a repping agency led by Faber for some years, Bloodaxe is now having to move to PGUK as the Faber Factory Plus operation is being wound down. This reflects the challenges across the whole publishing industry. Unlike small 'craft' publishers, Bloodaxe relies on scale in terms of number of titles and back list to make repping and distribution contracts viable for both parties.

Sales made up around 70% of turnover in 2014 - 2015, with Arts Council providing 26%. In some years before the economic crash and further decline of bookshops book sales have been considerably higher.

The high sales achieved in the mid-2000s may be due to a more vibrant economy, to factors in the cycle of poetry, or to particular titles. The anthology *Staying Alive* was a groundbreaking effort to publish poems that would connect to ordinary readers' lives and desires. It has since sold a phenomenal-for-poetry 200,000 copies.

Digital publishing has not had a major impact on Bloodaxe's business model. For most titles ebooks make up just 2 - 3% of sales. Similar statistics have been reported by other major poetry publishers, which suggest that it is the form and reader preferences that dictate this. For some titles such as a longstanding (prose) handbook on writing poetry, digital sales can go as high as 30%.

The potential reach of each title Bloodaxe publishes, and of the business overall, is an important part of the business model.

A key part of the offer is the breadth of poets, anthologies and schools of poetry published by Bloodaxe. This sits alongside a breadth of ways of coming to poetry encouraged through publishing, events and online activity. The latter builds on a long-standing approach that saw the organisation put poetry on television in the 1980s and readings on cassettes a little later.

The potential reach of each title Bloodaxe publishes, and of the business overall, is an important part of the business model. Although operating from what might call a niche market base, Bloodaxe takes pride in the size of its sales and readership within that market and the extent to which it extends out from it to diverse audiences. This forms an important part of its case for public funding along with the literary quality of the work published.

Detailed projections are made for every title before publication and then periodically revised while the title is in the main list. Books generally move to the so-called 'backlist' after three years.

Keeping a significant backlist of titles in print is an important element of the model, as it allows for greater contribution to the poetry ecology. Close tracking of sales data is combined with tracking of the potential audience reach through things like radio broadcast, other anthology use and so on. Bloodaxe estimate their reach for some poems has been up to 900 million people in a year - mainly through radio, television and film audiences.

Much of the value created by Bloodaxe as a cog in the poetry machine comes from activities that generate income for others rather than directly for Bloodaxe. This includes providing specialist advice to festivals and broadcasters. The cost of these is subsumed within other

functions - largely editorial and marketing.

As most poets do not have agents, Bloodaxe often finds itself acting in an agent capacity for writers in relation to rights, permissions and performances. It acts as the go-between for festivals. These functions are not paid for as the company has always found it problematic to charge a commission to writers who are usually earning little. Neither has it developed a model for charging other, often grant-aided, arts organisations. Additional value is also created by mentoring of new poetry presses and publishers.

By bringing together this broad cultural Value Proposition with a detailed commercial model and a rigorous editorial focus, Bloodaxe has been able to sustain its operations through ups and downs in arts funding and high street retail.

Have you been inspired by this case study?

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