

## Evolution of sales from wholesalers to independent retailers over time

### Introduction

1. Based on monthly data on value and volume sales provided by Bertram, THE, and Gardners, we analysed the evolution of wholesalers' sales to independent retailers over time.
2. Bertram and THE submitted monthly observations of volume and value sales for the period January 2002 to May 2007. Gardners submitted monthly observations on value of sales for the period January 2005 to May 2007.
3. The main findings are:
  - (a) In 2006, [%] per cent of THE's total UK sales went to independent retailers. This compares with [%] per cent in the case of Gardners, and [%] per cent in the case of Bertram.<sup>1</sup>
  - (b) Bertram's share of wholesale supply of books to independents was [%] per cent in 2006. This compares with [%] per cent in the case of THE, and [%] per cent for Gardners.<sup>2</sup>
  - (c) THE's and Bertram's sales to independent retailers appear to have declined between 2005 and 2006 (by [%] per cent for Bertram and [%] per cent for THE). In contrast, Gardners' sales to independent retailers appear to have increased during this period (by [%] per cent).
4. Please note that all value figures in this analysis are expressed in terms of current prices.

### Sales of wholesalers to independent retailers

5. In 2006, Bertram, THE, and Gardners sold books with an invoice value of £[%] million to independent retailers in the UK. Of these books, £[%] million ([%] per cent) were sold by Bertram, £[%] million ([%] per cent) by THE, and £[%] million ([%] per cent) by Gardners.
6. Figure 1 shows monthly values of invoices for each of the three wholesalers.

FIGURE 1

### Value of invoices Bertram, THE, Gardners

[%]

Source: Bertram, THE, Gardners, CC calculations.

<sup>1</sup>All values calculated on the basis of value of invoices.

<sup>2</sup>These figures disregard the sales of any wholesalers other than Bertram, THE and Gardner.

7. Figure 1 illustrates that, during the analysis period, monthly invoice values decreased on average in the case of Bertram and THE, but increased in the case of Gardners. In the case of Bertram, the total value of invoices was on average £[x] million a month in 2005, compared with £[x] million in 2006—a [x] per cent reduction. In the case of THE, the total value of invoice was on average £[x] million a month in 2005, compared with £[x] million in 2006—a [x] per cent reduction. On the other side, in the case of Gardners, the total value of invoices was on average £[x] million a month in 2005, compared with £[x] million in 2006—a [x] per cent increase.
8. Figure 2 shows the evolution of number of active accounts for each of the three wholesalers.

FIGURE 2

**Number of active accounts Bertram, THE, Gardners**

[x]

Source: Bertram, Gardners, CC calculations.

9. Figure 2 illustrates that the number of active accounts decreased in the case of Bertram and THE, but increased for Gardners. In 2005, Bertram had on average [x] active accounts, compared with [x] in 2006—a [x] per cent reduction. In 2005, THE had on average [x] accounts, compared with [x] in 2006—a reduction of [x] per cent. On the other hand, the number of active accounts in the case of Gardners was [x] in 2005, compared with [x] in 2006—a [x] per cent increase.
10. Figure 3 shows average order sizes, in terms of average monthly invoice value per account, for each of the three wholesalers.

FIGURE 3

**Average monthly invoice value per account Bertram, THE, Gardners**

[x]

Source: Bertram, THE, Gardners, CC calculations.

11. Figure 3 illustrates that, between 2005 and 2006, the monthly average invoice value per account increased in the case of Bertram and Gardners, but decreased in the case of THE.
12. In the case of Bertram, average monthly invoice values per account increased between 2005 and 2006 by [x] per cent from £[x] to £[x]. In the case of Gardners, average monthly invoice values increased between 2005 and 2006 by [x] per cent from £[x] to £[x]. On the other hand, in the case of THE, the average monthly invoice value per account was £[x] in 2005, compared with £[x] in 2006—a [x] per cent reduction.