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AS WE SEE IT

Last chapter for Borders

Borders

2-12-11

*Closing SC store inevitable
with changing market, choices*

The market gives, and the market, and Internet, takes away.

The news Wednesday that Borders was filing for bankruptcy and closing a number of stores including the downtown Santa Cruz location can be classified in the "What took so long?" category.

For brick-and-mortar booksellers, the sad fact is that many of their customers long ago began buying books and other publications online. Companies that could adapt had a chance of surviving. But Borders, which in the 1990s was expanding rapidly and threatening locally owned bookstores with its superstores that offered lower prices and wider selection, made some horrible business decisions that have cost the company and shareholders and suppliers dearly.

Probably the worst decision was to contract out online commerce to Amazon.com in 2001. At the time, Internet selling was still a relatively new phenomenon, but Amazon had no incentive to push Borders' merchandise at the expense of the supersite's own books and the relationship went nowhere.

Music and DVD sales long ago disappeared as customers went to the Internet to download and stream titles. The rise of eBooks only closed the pages more swiftly for Borders. The company, which is closing 200 mainly large stores out of 642, hopes to emerge from the bankruptcy as a smaller, nimbler company, even as many analysts are predicting an eventual liquidation of all the bookseller's assets.

When Borders leaves downtown, it will leave behind another substantial vacancy — the 22,500-square-foot Pacific Avenue store is at the center of the city's shopping district, a few blocks away from another large vacant building at Church Street and Pacific.

Borders' demise means that locally owned Bookshop Santa Cruz will be the primary bookseller left downtown. Ironically, the fight in 2000 over even allowing Borders to locate downtown was spearheaded by the bookshop's owners, who feared that independent booksellers could not survive the corporately expansive big box stores.

While it turns out Bookshop Santa Cruz has outlived Borders, it doesn't mean the picture is rosy for independent sellers.

While many customers still enjoy browsing through shelves of books or reading in a corner with a cup of coffee, many others will decide that price, availability and selection overrides loyalty. It's a trend playing out in all sorts of industries, including newspapers, and survivors are having to quickly adapt, or suffer an unhappy ending.