

How to make profit go round in circles

One retailer is thriving from recycling books rather than letting them go into landfill — and finding some gems



Second-hand bookseller World of Books is on track to make £78m this year

Goring-by-Sea could never be confused with Silicon Valley. With its small Catholic church and row of beach huts, the placid suburb of Worthing in West Sussex does not quite have the buzz of a global tech hub. It is an unlikely location for an international ecommerce business.

Yet Goring-by-Sea is home to World of Books, a second-hand bookseller that ships to more than 190 countries — including Vatican City — and is on track to make sales of £78m this year. The business buys unwanted books by the ton from charity shops, uses a cutting-edge scanning system to work out whether they can be resold, then lists them online. It sells a book every 1.5 seconds — mostly through eBay and its own website — and this year will spend £15m on postage.

On an average day, the business takes delivery of more than 300,000 books, including an estimated 750 Harry Potters and several crates of the Hunger Games trilogy. However, about 80% of the load is worthless and will be recycled — equivalent to 26,000 tons last year.

It makes millions of pounds from a problem that does not trouble many people when they give books to their local charity shop. Most of those donated end up being sent to landfill, at a cost to the charity and the environment. “Normally the charity shop will pick out the odd Dan Brown or Fifty Shades of Grey and the rest will go,” said Graham Bell, World of Books’ chief financial and operating officer.

The company, which employs 700 staff at sites in West Sussex and Coventry, offers a solution, and paid charities more than £2m for their unwanted books last year. It is growing rapidly as consumers and businesses become more attuned to the “circular economy”, where waste is minimised and resources re-used.

The problem goes far beyond old books. British people are the biggest consumers of clothing in Europe per head, throwing away 235m items every year, according to a 2017 report by Sainsbury’s.

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Old mobile phones, CDs and DVDs also find their way into landfill sites in huge volumes, often via charity shops that are unable to sell them.

While big companies acknowledge the damage they can cause the environment, and the government is considering ways to encourage the circular economy, small businesses are actually doing something about it. A wave of start-ups have emerged in the past decade, providing ways for customers to recycle or resell their unwanted possessions.

Jack Ostrowski launched Regain in London last year. The app gives people money-off vouchers if they send the company their unwanted clothes, which it then recycles, rather than throw them in the bin. It has already signed up more than 100,000 users.

“We can all see the crisis of fast fashion, but it is also an opportunity for us to work out how to make fashion circular,” said Ostrowski, 42. “We need fast recycling to keep up.”

Finding a convenient way for people to recycle their high-value possessions can be lucrative. Stockport-based Music Magpie was founded in 2007 as a service for music fans to make money from their unwanted CDs, but now sells second-hand mobiles, laptops and other electronic goods. Last year the company’s sales came to just under £110m.

Customers are increasingly willing to buy second-hand. Sales of used books increased by 23% last year on eBay, compared with 4% for new. “Demand for ‘used’ books is outpacing demand for new books on our marketplace as buyers become ever more aware of their environmental footprint,” said Murray Lambell, head of UK trading at eBay.

World of Books, meanwhile, has hit on another way of finding value in discarded belongings. A tiny proportion of the millions of books it receives are prized by collectors. If a book is deemed to be rare, it is separated from the rest and analysed by specialists. The richest discovery came three years ago, when a first edition of Ian Fleming’s debut James Bond novel, *Casino Royale*, was found among thousands of others books. It had a limited edition cover, embossed with real gold, and was sold for £18,000. Early editions of *Pride and Prejudice*, *The Lord of the Rings* trilogy and *Alice in Wonderland* have also been unearthed.

World of Books said it could not yet identify where rare items had come from as books arrived every day in mixed truck-loads, meaning it cannot track the original owner or the charity shop seller, though it is developing technology to do this.

Most of the books the company buys are sold for a couple of pounds or recycled. Its activity makes a small dent on the volume of waste sent to landfill every year.

“The circular economy is going to change the world,” predicted Ostrowski, who also runs Yellow Octopus, a business that helps leading retailers recycle unused stock. “It feels a bit like Silicon Valley 30 years ago.”

San Francisco it ain’t, but the power of Goring-by-Sea in this emerging economy should not be underestimated.