

Cost and availability of transportation services for barnes and noble

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1. What is the outlook for the cost and availability of raw materials, components, and supplies? Barnes & Noble is a supplier of its own stores because it prints and publishes its own books. It is also a retailer that distributes books, CDs and DVDs to various retailers, and authorized dealers, as such, the company could be classified as a commercial printer.

The industry outlook. According to First Research profile, commercial printing is a multi-million business whose annual revenue amounts to \$90 billion. Key factors that affect the printing business are the cost of printing materials which are mostly imported from Canada. The printing industry has been greatly affected by the cost of paper and its growing specialization. Another factor affecting the composition of publishing is the steady increase in the price of oil and natural gas. In printing, most of the raw materials used for printing like inks are derived from oil. Its mail-order catalogue is also affected by the rising cost of postage. In printing, which composes the bulk of Barnes & Noble's expenses, one of the problems aside from rising cost is a large amount of paper used and the toxic waste it produces such as solvents and inks. Likewise, the industry sees digital technology rather expensive and cuts their profit.

2. What is the outlook for the cost and availability of transportation services/fuel; warehousing facilities; financial resources (interest rates); employees?

As to the availability of transportation and shipping airlines, I see no problem as to its availability since there are available companies like FedEx and other airline companies. The only problem seen here is the cost of freight and insurance.

Barnes and Noble provides employees with a financial security plan, sick leave and disability pay, life insurance, continuing education, transit benefits and discounts (Barnes & Noble, n. d.). They believe that it is rewarding to discover new writers. Average annual revenue of a printing press employee is \$145, 000.(First Research) while pay for writers is not disclosed.

As to interest rates, the US maintains a rate of interest of 0. 25% which is lower than that of Canada (01%), England (0. 5%), Europe 1% (World interest rates table)