

## We will shake up the established book market

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BOOKIS (Photo)  
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Retail: Start up Bookis will be among the largest brands in the book industry, and has earned 6 million plus 5 million subscription rights through a family business owners network

“Our vision is that books should be read, not stored, and now we believe that we have come up with a product that adds something new and valuable to the customer. We will shake up the established players in the book market, and we look forward to that,” says Bookis founder Arne-Morten Willumsen.

Together with Lasse Brurok, Willumsen has taken the sharing economy into the book industry. The Bookis.no service was launched in December 2017, and in the first year of operation, the company generated a turnover of NOK 2.2 million and a pre-tax profit of NOK 2.5 million.

Bookis is both in the market for new and used books. In the used book market, Bookis works so that the seller downloads an app and creates a profile on Bookis.no, scans the barcode on the book that he want to sell and places it at the desired price. When a buyer sends a request and the seller accepts this, the seller receives a reference code from Bookis. The book gets wrapped up, with the reference code written on the outside and the book is then posted to the doormat or into the mailbox.

“We have a cooperation with the delivery network Helthjem, so the book is picked up by the paperboy, and delivered to the buyer within one to four days,” says Willumsen.

The company currently has 20,000 users, but the founders add that they are growing rapidly. In January, the entrepreneurs announced that they had already sold new books for NOK 1 million. The transaction volume of used books is growing at the same time, according to Willumsen.

“In the used market for books, there is enormous organic growth, and in the market for new books, we are now positioning ourselves with the new capital increase. Now it will become possible to accelerate the marketing and become more visible among Norwegians. If we are to succeed, we must establish ourselves among the major brands in books in Norway,” he says.

### International network

The founders have been searching for investors for several months. Eventually, they got this through the digital learning network Lorange Network, lead by Professor Peter Lorange, his son Per Lorange and his son-in-law Frode Lervik.

The members of the network, as per today, number 300 investors and managers of family businesses from the Nordic countries, Germany, Switzerland, the UK and the United States. As Finansavisen has mentioned earlier, the goal of the network is to help family business owners learn more about how their business can be further developed.

Over the past few months, Lorange Network has expanded its features with its new Deal Wall service. On this page, entrepreneurial companies that will raise capital are published. Only members of the network have the opportunity to place companies on the Deal Wall (see sub-screen).

### Lower pricing

Bookis is the first project to be posted on the Deal Wall, and the first to have completed an issue. A total of NOK 6 million plus subscription rights for NOK 5 million has been invested. It values the company to NOK 25 million.

“We received an invitation to one of Lorange Networks events at Høyres Hus in early October, and talked to several interested representatives”, says Lasse Brurok.

Willumsen adds that they have spent a lot of time following up and getting to know the investors. “We have built trust over time, and last week we could close the private placement with many of the Lorange network members as investors.”

The founders are satisfied that the share issue was oversubscribed, but the valuation was reduced by NOK 5 million.

“Truls Birkeland, who is one of our board members says it well: dilution is the entrepreneur's best currency. We have been concerned with two things: to raise capital to increase momentum on growth, and to bring on board with us resourceful investors with knowledge and expertise to contribute beyond the financial. Given that these assumptions are met, we have been willing to negotiate on price,” says Brurok.

### Going abroad

Since the Lorange Network is international, Bookis has now international investors on its shareholder list, including the Finn Henry Nilert.

“It is cool for an entrepreneurial company to acquire knowledge outside of its domestic market. We will expand to neighboring countries, and it will help us to have a Finnish investor with a lot of expertise and a large network,” says Willumsen.

What other concrete plans do you have for 2019?

“We come with English-language titles already in February. Thus, we are expanding with millions of titles that make Bookis even more attractive. We're going to launch more products, but I can't say anything about that yet.”

Lack of meeting places today

Lorange Network select entrepreneurial companies for the Deal Wall based on recommendations from its members.

“We believe the Deal Wall is an interesting way for established, successful investment environments to meet younger entrepreneurs. Such good meeting places are often lacking today,” says Per Lorange.

The projects that are selected are based on recommendations from investors who are members of the network. The main criterion is that they themselves invest significantly in the company, says Lorange. “Then these investors have already spent time on due diligence, and they know and have gained confidence in the people behind the companies. It makes it easier for others in the network to make a decision to join or not,” he says.

Lorange Network has put six projects on the wall so far, including:

Reebate: A company based in Southern Germany which has created a loyalty application whereby you get cash back directly from the producers. “It connects consumers and manufacturers in an elegant way so that retailers do not have all the power,” says Lorange.

Lineo: A Danish leasing software company

Antler Nordic Fund: Antler invests in early stage ventures. “The fund spends as much time finding the right people behind the projects as the ideas themselves. We think it makes sense and also hope that other investors in the network will invest,” says Lorange.