Multinational companies and the cultural industries: W.H. Smith in Canada, 1950–1989

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The political hazards that host country governments pose multinational companies are multifaceted and persistent. This study focuses on the experience of the Canadian subsidiary of British retailer W.H. Smith and Son in order to examine how host country policy can influence a multinational operating in the cultural industries. While bargaining models have previously provided the principal analytical lens for analyzing the interaction between multinationals and host governments, I argue that such frameworks lack the necessary nuance in order to explain fully the interaction between the Canadian government and W.H. Smith. In order to address the intricacy of these relations, it is necessary to integrate insights from new institutional economics with conventional bargaining frameworks.

**Keywords:** international retailing, W.H. Smith and Son, multinational–host government relations, cultural industries, foreign direct investment

The principal analytical lens for examining interactions between multinational companies and host country governments in international business has been bargaining models. 1 Of these, the obsolescing bargaining model has been the “basic building block for analyzing relations between the host country government and a multinational enterprise.” 2 Since the obsolescing bargain was originally proposed, it has been refined and enhanced. 3 Despite its prevalence and its influence on evaluating relations between multinationals and host governments, the obsolescing bargain is only one characteristic of a wider process of firm-state interaction. 4 Moreover, bargaining models contain limitations; they do not fully capture the complexity of the hazards that multinationals encounter in host markets. Rather, bargaining models are
frameworks that contextualize interaction between national governments and multinational companies.\textsuperscript{5}

New institutional economics offers a complementary approach to analyzing interactions between host governments and multinationals, emphasizing host country political factors to a much greater extent.\textsuperscript{6} An important idea that new institutional economics advances is the persistent threat that governments pose to multinationals, either directly through the straightforward expropriation of assets or indirectly through policy shifts in taxation or regulation.\textsuperscript{7} This analysis has been extended by a distinction being made between horizontal (market-seeking) and vertical (natural resource–seeking) investments. This distinction has led to the identification of a contingency relationship: the hazards multinationals encounter in a host country depend upon the type of activity, vertical or horizontal, that they are engaged in.\textsuperscript{8} This argument illustrates the complex hazards that multinational managers must cope with in host countries—a complexity that bargaining models do not capture fully.\textsuperscript{9}

The present study utilizes insights from bargaining models and new institutional economics to examine the case of the Canadian subsidiary of British retail firm W.H. Smith and Son over the thirty-nine-year period from 1950 to 1989. In so doing, the research addresses a relatively underexplored and little understood area: the historical activities of British international retailers.\textsuperscript{10} Archival data analysis enables an investigation into how changes in host government policy affected the operations of a service sector multinational in a specific national context. The research illustrates that the major political hazard that W.H. Smith faced in Canada was that posed by policy changes affecting the operations of multinationals, rather than the risk posed by government reneging on a contract and expropriating corporate assets.\textsuperscript{11} The Canadian economy is an appropriate setting in which to study the development of host country policy and its effect on multinational operations owing to the high degree of external influence to which Canada’s industries, enterprises, and entrepreneurs have been exposed over time.

Through analysis of archival sources, this research thus explores how the commercial viability of multinationals is altered by the emergence of policy, in a developed economy, designed to protect industries that are identified by the government of that country as vital to national sovereignty and identity.\textsuperscript{12} Furthermore, it does so in an industry context—the cultural and creative industries—that has been underrepresented in the business history literature.\textsuperscript{13} Finally, the analysis demonstrates the value of utilizing a perspective informed both by bargaining models and by new institutional economics instead of simply depending on bargaining perspectives, which are too binary and do not by themselves capture the nuance of
how changes in the policy environment negatively impact multinationals. After outlining the organizational background of W.H. Smith, the article considers contrasting theoretical approaches that have been developed to analyze host government–multinational relations. It then assesses the broad historical context of the Canadian environment in which W.H. Smith operated from 1950 before examining and discussing the archival data.

W.H. Smith & Son in the United Kingdom

Founded in London in 1792 as a small newspaper shop, W.H. Smith developed into the first chain store organization in the United Kingdom.\(^{14}\) This operation originated with an agreement reached in 1848 between the firm and the London North West Railway (LNWR) giving Smith’s the exclusive right to sell books and newspapers at all stations under the control of the railway.\(^{15}\) Expansion proceeded rapidly, with 35 bookstalls in operation by 1851, and 450 by 1880.\(^ {16}\) The creation of this railway bookstall network had cultural as well as commercial consequences, providing Smith’s the power to determine print culture in Victorian Britain.\(^ {17}\) During the 1850s, W.H. Smith’s wholesale activities also began to expand, with provincial wholesale branches established in Birmingham and Manchester.

A dramatic change in how Smith’s operated occurred in 1905. Owing to an inability to agree on a rental increase with two railway companies, the company did not renew the contracts for its railway bookstalls on those lines.\(^ {18}\) Instead, Smith’s began developing stores on the British High Street, extending a small group of shops from which it already traded, including one international store, in Paris.\(^ {19}\) By 1914, Smith’s operated 26 “A” shops, with annual sales of £180,010; 107 “B” shops, which had annual sales of £466,488; and 17 provincial wholesale branches. The core of its retail business, however, remained the railway bookstalls, with annual sales of £1,198,475.\(^ {20}\) At this time, no other bookseller or newspaper retailer operated on a comparable scale.\(^ {21}\)

The two decades between 1919 and 1939 were a challenging and decisive period for chain store organizations, not only in the United Kingdom but in North America as well.\(^ {22}\) Those retailers that prospered during the interwar years, such as Marks & Spencer, did so by transforming their retail proposition.\(^ {23}\) W.H. Smith underwent no such transformation, and its retail performance does not suggest a dynamic, pioneering organization—but neither does it suggest a weak, declining business. Rather, the notable feature of the firm’s retail activities in the interwar years is that of an expanding retailer, transacting larger volumes of business but faced with rising costs. While turnover in W.H. Smith’s “A” and “B” shops grew in real terms
by 5.28 percent per annum on average between 1919 and 1939, over the same period total expenses as a percentage of sales in these shops increased from 15.8 percent to 21.8 percent. Real turnover in the company’s bookstalls increased at the slower average rate of 2.29 percent per annum, but total expenses as a percentage of sales increased from 19.4 percent in 1919 to 26.2 percent by 1939. When this performance is assessed alongside assertions that little time was spent on “continuous ‘policy making,’ ‘decision taking,’ and other such exercises,” and is compared with the performance of retailers such as Marks & Spencer and Woolworth’s, it is possible to accentuate W.H. Smith’s organizational “failing’s” and “deficiencies.” A full assessment of the company from 1919 to 1939 should, however, also consider the company’s achievements. A second international store was opened in Brussels, in 1920, and between 1920 and 1939 the number of provincial wholesale branches grew from 36 to 64. Alongside rising real sales, the number of “A” shops expanded from 20 in 1919 to 27 in 1939 and the number of “B” shops increased from 198 to 332. It should further be noted that by 1939 Smith’s had already been operating as a private family concern for more than 145 years: under sole proprietorship until 1846, as a partnership from 1846 to 1929, and from 1929 as a limited liability company. It is well documented that financial performance is not the only objective of such firms.

The immediate post–World War II years witnessed a number of important organizational developments. These included diversification into specialist retailing, beginning in 1946 with the acquisition of the specialist bookshop Sherratt & Hughes. This was followed, in 1953, by the acquisition of the Cambridge bookshop Bowes & Bowes. More significantly, in August 1949, W.H. Smith and Son became a public company, with a two-tier management structure. The board of the newly created holding company (W.H. Smith and Son Holding Ltd.) focused on long-term planning and financial control, while the board of the main operating subsidiary (W.H. Smith and Son Ltd.) controlled day-to-day operations. Table 1 gives a sense of the company’s direction in the years after becoming public in 1949.

Three salient trends emerge from Table 1. First is the decline in the number of railway bookstalls, a trend that would continue over the next twenty years. By 1969/70 the number of these outlets had been reduced to 196. The second noticeable trend is a rise in expenses and decline in trading profit between 1953/54 and 1956/57. This would lead, in 1957, to the creation of a “retail management group,” focused on improving the company’s net U.K. retail profit.
Finally, the modest growth in shop numbers between 1950 and 1957 contrasts with the expansion of shops during the interwar years. A reduced expansion in shop numbers continued to be a defining feature of Smith’s domestic retail policy. By 1979, following a series of store closures and relocations, the number of U.K. shops had decreased to 332. Even with this rationalization of U.K. shops, Smith’s continued to occupy a leading position in its domestic retail market, while gradually broadening the scope of its activities. Of the 672 branches in the newspaper and book retail trade controlled by chain store organizations in 1950, W.H. Smith operated 360 (54 percent). A quarter of a century later, in 1976, W.H. Smith’s market share in U.K. bookselling was 13.5 percent, and in newspaper retailing, 2.9 percent. The company did increase its store numbers internationally, however, with the incorporation in November 1949 of W.H. Smith & Son (Canada).

**Multinational–Host Government Relations**

Foreign direct investment (FDI) creates opportunities both for companies making the investment and for host countries. The very same investment, however, makes both the company and the state more vulnerable through an increased exposure to risk. Historically, the opportunity for gains coupled with greater exposure to risk has made government policy toward FDI generally, and multinationals in particular, one of the most critical issues for policymakers and managers alike. The presence of significant risk, the opportunity for significant gain, and how these risks and gains are allocated account for the prevalence of bargaining models in explaining multinational–host government relations. Two ideas are important in bargaining models. First, there is a defined range within which policy can bring gains to both parties without reducing the nature or volume of the investment. Second, these policies may realize noneconomic gains. The bargaining model that was first introduced to analyze host country–multinational relations, and that has proved the longest lasting, is the obsolescing bargain.

Initially, the main purpose of the obsolescing bargain was to explain, conceptually, how the agreement negotiated between a foreign investor from a developed economy and the government of a developing host country in the natural resources sector would become obsolete over time. Theodore Moran used this framework to produce an illuminating case study of the copper industry in Chile, which emphasized economic nationalism as an important motive for governments to alter the terms of an agreement previously reached with foreign companies. While broader bargaining models maintained a focus on U.S. multinationals operating in
oligopolistic industries in developing countries, explorations of the obsolescing bargain came to incorporate the “more heterogeneous” manufacturing sector. Analysis of manufacturing led to mixed results with research initially concluding that manufacturing was not characterized by the secular obsolescence found in the natural resource–based industries. Subsequent research, however, presented evidence that, on the contrary, the obsolescing bargain did take effect in the manufacturing sector. These conflicting findings are relevant to the present study, as they illustrate the importance of considering both temporal dynamics and industry-specific variance in multinational–host government relations. Moreover, although the obsolescing bargain was originally grounded in the specific context of the natural resources sector, it is not too much to suggest that what really matters is that a host government conceives of a specific industry as a “key sector.” Such key sectors could be expected to vary from one country to another and encompass not only natural resource extraction but defense, banking, high-technology sectors, and those associated with the maintenance of national culture.

Further, it is necessary to note that bargaining models originally assumed a “conflict-based view” of multinational-host government relations. As hostile attitudes gave way to greater host country accommodation of multinationals—a change mirrored in the rise, from 1989, of bilateral investment treaties and the system for resolving international investment disputes—the insights provided by traditional bargaining models diminished in relevance. The idea that conflict was no longer an accurate way to conceptualize changes in government policy toward multinationals was reinforced by assertions that the obsolescing bargain, while empirically valid, was incomplete. Other reasons could explain changes in government policy toward multinationals, including the election of a new government. Even so, the basis of a “cooperative view” of multinationals and host governments remained oriented toward investments made by multinationals from economically advanced home countries into developing host countries. For example, the obsolescing bargain was reconceptualized in light of more cooperative attitudes between multinationals and host countries as a dynamic, two-tier, multiparty bargaining process. This perspective situated the obsolescing bargain within the broader international environment in which companies invest across borders, where firm-firm and state-state competition are important. Responses to critiques of, and developments in, the obsolescing bargaining literature, therefore, endeavored to enrich and extend the original model. The most sophisticated extension of the obsolescing bargain, the political bargaining model, recognized the need for a more nuanced approach to multinational–host country government relations, explicitly acknowledging differences between host governments.
Despite progressive modifications to bargaining models, they remain unable to capture important, but subtler, aspects of the political hazards multinationals must manage. Consequently, relations between multinationals and host governments have been considered from the perspective of new institutional economics, which emphasizes the importance of institutions as both formal and informal constraints on policymakers. Especially relevant here is the significance a new institutional economics perspective provides to host country political factors in explaining changes in policy toward multinationals. Particularly decisive in the formation of host country policy toward multinationals is the pressure exerted by organized interest groups that influence political actors. The prominence given to host country political factors notwithstanding, the actual assessment of the political hazards facing multinationals is conceived narrowly, neglecting the complexity of forces that shape the political environment in which multinationals operate. To redress this issue, and provide a more complete account of the institutional hazards confronting multinational managers, scholars have advocated for the adoption of a contingency framework. This contingency framework, it is argued, enables a more precise consideration of the nature of a multinational’s activity and, further, makes it possible to examine the differential impact of both formal and informal institutional hazards on multinationals.

Summarizing the contributions made by key theoretical frameworks for analyzing multinational–host government interaction, it is possible to say the following: first, that the theoretical focus has prioritized investment into developing countries/emerging markets over the investments made by firms into developed economies; second, that economic nationalism has been identified as an important government motive for renegotiating existing agreements with multinationals; third, that rather than any single sector being judged as vital a priori, what is more relevant is the extent to which the host country’s government judges any specific sector as a “key sector”; fourth, that there has been explicit acknowledgment that variation between host countries exists; and finally, that it is necessary to recognize that a number of causes may explain a change in policy toward multinationals, including but not limited to a change of government, and the pressure for policy change that interest groups can exert over political actors.

Canada as a Host Market

It is conventional to examine the post-1945 emergence of international investment as consisting of two distinct phases. In the first, up to 1960, the United States dominated new
multinational activity. Canada was a major recipient of this expansion in multinational investment: between 1946 and 1965, the book value of inward FDI to Canada increased more than sixfold, from C$2.8 billion to C$17.2 billion; of this C$17.2 billion, U.S. investment accounted for 81 percent. While international investment and foreign capital had been a significant characteristic of the Canadian economy since Confederation, the nature and form these investments took after 1945 were qualitatively and quantitively different from those made in earlier periods. These differences can be summarized in terms of their nature (direct versus portfolio investment), country of origin, and industry focus.

The first official estimates of foreign capital invested in Canada, calculated in 1926, record total foreign investment of marginally more than C$6 billion by nonresidents, with the United States owning C$3.2 billion (53 percent) and the United Kingdom C$2.6 billion (44 percent). Of the C$6 billion of foreign capital invested in Canada in 1926, C$1.8 billion were direct investments, with the United States accounting for C$1.4 billion. In contrast, U.K. capital directly invested in Canada accounted for only C$336 million of its total C$2.6 billion investment in Canada, with C$1.9 billion invested through portfolio investment and investment in government and municipal bonds. Between 1919 and 1939, foreign investment peaked in Canada in 1930 at C$7.6 billion, of which C$2.4 billion (31 percent) was invested directly. The United States owned C$4.6 billion (60 percent) of the total C$7.6 billion and the United Kingdom C$2.7 billion (36 percent). The relative position of the United States and the United Kingdom would change very little until 1939. By 1939 foreign capital invested in Canada had declined to C$6.9 billion; of this amount, C$2.3 billion was direct investments (33 percent) with U.S. direct investments accounting for C$1.8 billion. Subsequently, however, the importance of U.S. direct investments would increase, totaling C$5.7 billion by 1954—or 46 percent of the total foreign capital invested in Canada (C$12.5 billion) and 86 percent of all foreign capital directly invested in Canada (C$6.7 billion). In the early post–World War II years, moreover, the majority of U.S. investment was concentrated in, and motivated by a search for, natural resources.

The increasingly dominant role of U.S. multinationals in a variety of operations in a number of sectors central to the Canadian economy after 1945, coupled with Canada’s increasing dependence on the United States for imports of manufactured goods and exports of natural resources, led to fears emerging in Canada in the late 1950s about the potential effects on Canadian independence and sovereignty of such high degrees of reliance on the United States. Consequently, considerable controversy surfaced over the role and operation of multinationals in Canada. The concerns that emerged regarding the extent of foreign
ownership and control of Canadian industry and resources, as well as the seemingly ever-increasing integration with the United States, came to be crystallized in powerful nationalist spirits. While some contemporary economists dismissed the “vague anxiety” over “the closeness of Canadian economic relations with the United States,” others embraced nationalistic and particularly anti-American rhetoric, forcefully advocating a nationalist economic ideology.70

The conflicted nature of attitudes toward foreign (U.S.) investment that this debate represents perhaps explains why Canada, as much as any other country, has experimented with a broad range of foreign investment–related policies.71 Postwar efforts to legislate against foreign investment began with Liberal finance minister Walter Gordon’s 1963 budget, which included several measures designed to restrict FDI.72 The budget was, however, defined by “amateurishness” and the proposals on foreign investment were withdrawn.73 Nevertheless, they generated significant publicity.74 The increased prominence given to the issue of foreign ownership ultimately led to the publication, between 1968 and 1972, of two separate government reports focused on FDI in Canada.75 This growing concern with the power and extent of foreign, particularly American, capital reflected a wider apprehension of how “open” and exposed Canada was to the United States.76 Concerns over U.S. economic influence in Canada reached their policy pinnacle in 1974 with the enactment of the Foreign Investment Review Agency (FIRA), designed to screen foreign investment.77

The FIRA would function until 1985, when it was superseded by the Investment Canada Act, a piece of legislation designed to attract foreign investment. Arguments for Canadian nationalism were not, however, concerned simply with the ownership and control of the manufacturing and natural resource industries; arguments for Canadian nationalism also contained a strong cultural element.78 As such, the Investment Canada Act included a government commitment to maintain Canada’s cultural sovereignty and to support the economic viability of its cultural industries. The Investment Canada Act therefore specified that industries of a cultural nature must be dealt with as an exception in regard to foreign investment.

The significance of the cultural industries to Canadian sovereignty and national identity had actually arisen in the context of radio broadcasting in 1928-1929, at a time when, as discussed above, foreign investment in the Canadian economy was close to its pre–World War II peak. In 1928, the federal government established a royal commission under the chairmanship of Sir John Aird “to examine into the broadcasting situation in the dominion of Canada.”79 The findings of the Aird Commission led, in 1932, to the creation of Canadian
Radio Broadcasting Commission (CRBC) through the Radio Broadcasting Act and, in 1936, to the establishment of the Canadian Broadcasting Company (CBC) through the Canadian Broadcasting Act. What is particularly noteworthy in this episode is the pressure applied by Southam-owned newspapers, such as the Ottawa Citizen, in support of a change in the Canadian radio broadcasting system. The importance of establishing Canadian autonomy in radio broadcasting, and the success of not being absorbed by the U.S. radio system, would be compared in the 1950s to Canada’s having avoided reliance on the U.S. railway system.

Radio broadcasting was not the only area of cultural life that would be the subject of legislative examination during the late 1920s and early 1930s. In 1931 a report into film distribution under the 1923 Combines Investigation Act into anticompetitive practices in the film industry was published. The report concluded that the Famous Players Canadian Corporation (FPCC)—a subsidiary of Paramount Pictures, which throughout the 1920s had aggressively sought control of the Canadian film market through vertical integration—was operating in a way that adversely affected Canadian-owned cinemas. Although the FPCC was prosecuted, under the Combines Investigation Act and section 498 of the criminal code, the company was acquitted of the charges, as the prosecutors did not prove to the judge’s satisfaction that the FPCC’s actions either damaged the public interest or excessively reduced competition. This, then, was the market that W.H. Smith first entered in 1950.

W.H. Smith and Son in Canada

Before 1930 few retailers had made international investments and become multinationals, although the U.S. variety stores Woolworths and S.S. Kresge had both expanded into Canada. With the exception of Sears Roebuck, which pursued an aggressive program of internationalization following entry into Mexico in 1947, this state of affairs did not change significantly until the 1970s, after which the spread of multinationals became conspicuous in some branches of retailing. The reason for this relative lack of international expansion in the retail industry may be partly explained by the difficulty of “exporting” or transferring a package of managerial and technical retail knowledge across borders. In the context of the Canadian retail industry, it is necessary to note the influence that organizational and technological innovations developed extensively in the United States could have on Canadian retailers, albeit with a lagged effect. Indeed, in the late 1950s, W.H. Smith executives were amazed by the methods employed by retailers in both the United States and Canada, which created the impression that “they were years ahead of us . . . we had so much
to learn.” By 1971, Smith’s Canadian subsidiary had acquired a secondary purpose, after providing a financial return to the parent company, of acting as a “periscope in the vast North American continent.”

The prospect of W.H. Smith’s investing in Canada was first explored in March 1946 in a series of internal notes by E. H. Williamson, a member of the company’s retail staff, who had been posted to Canada as part of his Royal Navy service during World War II. Williamson would go on to become the manager of Smith’s first Canadian store, located at 224 Yonge Street in Toronto, which opened in September 1950. Effectively, the company’s investment in Canada was a market-seeking investment. The business case advanced for Smith’s investment in Canada was that, as book retailing in Canada was “not very well organized,” the existing problems “can be solved . . . through the medium of the firm.” In essence, the company believed that, owing to market imperfections, it could exploit its proprietary knowledge assets to profitable effect in an overseas market and thus “the firm might very profitably . . . open a series of branches in Canada.” The company considered Canada to be “potentially . . . one of the brightest and best economic prospects in the developed world. Vastly rich in natural resources, wheat, forest products and minerals as well as energy, water-power, gas and oil, it had an infrastructure provided by nature that virtually guaranteed prosperity.” Beyond the business case, there was appreciation of the noncommercial element of Smith’s entry into Canada: “booksellers are the advanced guard in widening and deepening the cultural development of the Canadian people.”

Despite the economic attractiveness of Canada at the end of World War II, the book retailing industry that Smith’s actually encountered when it entered the Canadian market does not appear, statistically at least, to have been lacking organization or to have been hindered by the numerous difficulties that the initial company assessment would suggest. In Canada in 1950 there were 580 bookstores with total sales of C$25,772,600. Of these 580 stores, 210 (36.2 percent) were located in the province of Ontario, which produced sales of C$11,251,200 (43.7 percent). Just under a third (32.5 percent) of book sales in Ontario were produced in Toronto (C$3,659,300), making that city the single largest center for book sales even though there were more bookstores in Montreal: 80 as opposed to 54 in Toronto. The Canadian book retail industry may, however, have been underorganized, and full of opportunity from W.H. Smith’s perspective, in the relative number of bookstores per capita and the underdevelopment of large-scale book retailing. Whereas in 1950 Britain had one bookstore per 5,143 inhabitants, Canada in 1951 had one bookstore per 24,154 inhabitants. Further, the final report of the Massey Commission, published in 1951, estimated that only two dozen bookshops throughout Canada...
survived through the sale of books alone. In fact, the two book chains that would emerge as W.H. Smith’s main competitors after 1950—Coles and Classic—had only started retailing new books in 1940 and 1938, respectively.

Almost immediately Smith’s started to affect the organization of the Canadian book industry, becoming in 1952 a founder member of the Canadian Booksellers Association. The larger task of creating a chain of stores with sufficient volume to address and surmount the existing market imperfections proved to be more challenging. The firm opened its first Canadian store in Toronto in September 1950, yet this store had not managed to trade for a full week by October. In the first quarter of the 1951 fiscal year, average weekly sales were C$1,730 but weekly expenses amounted to C$2,500, leading to a substantial overall loss from the first full year’s operations. Slow turnover raised concerns that the subsidiary might face a serious markdown problem; and a subsidiary director conducted a review into store operations in order to determine whether there was any possibility of reducing operating costs. More than once the store manager was asked to investigate what possibilities there were for reducing expenses, including staff expenses. These difficult trading conditions limited W.H. Smith’s ambitions in Canada. The company had initially conceived of operating a chain of shops stretching from the Atlantic to the Pacific; while board-level discussions took place regarding bookstores that might be suitable for acquisition in London, Hamilton, and Ottawa, no further expansion of operations actually occurred until 1954. In that year Smith’s acquired the well-known independent bookstore Burton’s of Montreal, along with the Burton’s store in Ottawa. The following year, the company acquired a further store in Kingston.

In spite of these acquisitions and the establishment of a small chain of four bookstores, the subsidiary directors budgeted for an estimated loss for the financial year 1958/59 of C$10,740 on retail sales of C$735,000. Nonetheless, W.H. Smith’s policy of expanding in Canada through acquiring independent bookstores continued with the takeover of Tyrrell’s in Toronto in 1958. In March 1960, Smith’s expanded its presence in Ottawa, acquiring the bookstore Hope & Sons. Also in 1960, the company opened its first bookstore in a Canadian shopping center, leasing a unit in the Cloverdale Centre, Etobicoke, Toronto. However, the main policy of expansion through acquisition did not always generate the returns expected, especially in the case of Tyrrell’s bookstore at 818–820 Young Street, which the Council of the Municipality of Metropolitan Toronto expropriated in 1959 in order to extend the city’s subway, although the exportation did not come into effect until January 1962. To replace Tyrrell’s, Smith’s leased premises at 1500 Yonge Street, although owing to the dislocation and
the fact the store would trade under the Smith’s name, rather than Tyrrell’s, management were not confident that they would be able to retain any of Tyrrell’s former customers.108

By 1961/62 W.H. Smith and Son had been trading in Canada for ten full years, having expanded from a single store in Toronto to a small chain of eight stores with a sales volume of C$1,463,367 and an operating loss of C$53,065. Geographically, these stores were highly concentrated: seven of the eight were located in Ontario, and four of these were in Toronto, while the only store outside Ontario, in Montreal, was in 1961 the most profitable. If the first decade had been about establishing the foundations of a viable business in a foreign market, despite incurring losses, the next decade was about capitalizing on these foundations and making progress. As Table 2 shows, in 1963/64 W.H. Smith’s Canadian subsidiary recorded its first (small) operating profit of C$26,569, or 1.75 percent of sales.109 Between 1964/65 and 1970/71, the Canadian company grew rapidly in terms of sales volume, from C$1,823,443 to C$4,608,708, while retail operating profits increased from C$35,492 (1.95 percent) to C$496,532 (10.77 percent).110 Alongside this improved performance, the company’s physical operations also increased, with the number of retail branches growing from eight to fourteen. The stores were classified into three main categories: downtown, shopping center, and “special” high-traffic locations (incorporating stores located in airports and, later, railway stations). Further geographical expansion within the Canadian market, though, particularly into the western or Pacific region, continued to present serious management and distribution problems, despite the attractiveness of these regions.111

<Insert Table 2 Here>

The expansion of the store network and the growth in the sales volume transacted in these stores led to a change in the organization of the Canadian subsidiary. In 1968 the composition of the subsidiary’s board of directors was reorganized to emphasize a predominantly Canadian content and head office operations were restructured into three, as opposed to two, departments.112 In conjunction with this reorganization, the role of the Canadian board was redefined. The management and control of the subsidiary was transferred from the United Kingdom to Canada and, in 1969, made responsible directly to the holdings board, rather than the operating board. In line with this reorganization, new targets were set for the subsidiary: profits should be C$650,000 before taxes, and the return on capital employed (ROCE) should be between 15 and 20 percent.113 Despite the growth and improved performance of the subsidiary, W.H. Smith (Canada), as a foreign-owned and -controlled firm,
was not outperforming its main Canadian competitors. In 1972/73 the profit per Smith’s store was C$14,250; the profit per store of Coles, one of its two major competitors, was C$21,920. While Coles’s 1972/73 profit margin was 15.26 percent, W.H. Smith’s was only 3.72 percent. In terms of the targets established following the 1969 reorganization of the business, although the subsidiary achieved an average return on equity of 16.5 percent between 1969/70 and 1973/74, over the same period profit before income and taxes amounted on average to only C$208,340. In 1973 the subsidiary also launched a new venture, “Celebration,” selling principally greeting cards and stationery, in addition to the regular bookstore chain.

Despite the subsidiary being outperformed by one of its major local competitors, revenue and profits continued to grow; a 1976 report on Canadian operations concluded that the subsidiary had “passed through the barrier of being a small company running retail shops into a chain of retail shops.” At this time, the company recognized that the sociopolitical environment in which it operated was becoming more hostile. A different 1976 report recognized “a strong feeling of nationalism in Canada,” and the company was acutely aware of the “force of Canadian nationalism in the Canadian Book Trade.” In order to meet the challenge posed by rising Canadian nationalism, the report suggested that the firm’s stores give much more prominence to Canadiana, in order to show “without doubt that the company is a good Canadian citizen.” Proposals included having a section of stores prominently feature Canadian paperbacks. At the corporate level, the possibility of taking additional Canadian equity was discussed but not considered “necessary or desirable,” as the political pressure was not strong enough to justify Canadianizing the company at that time. Compounding the concern around the potential hazards of rising Canadian nationalism was recognition within the company that Anglo-Canadian relations, and in particular cultural and economic ties, were becoming weaker. In order to survive and prosper, the company felt it was necessary to reconceptualize the U.K.-Canada bilateral relationship within a multilateral context, to accurately reflect a changing reality.

Within this environment of growing nationalist sentiment and shifting relations between home and host country, W.H. Smith’s Canadian subsidiary continued to perform satisfactorily. Expansion into western Canada began in 1974 with the acquisition of Evelyn de Mille, and between 1975/76 and 1980/81 the number of bookstores nationwide grew to forty-eight, with sixteen Celebration stores. Over the same five-year period, cumulative profit growth equaled 22 percent (generated mostly by new investment) while the ROCE was a healthy 19 percent, meeting the objective of ROCE between 15 and 20 percent. In 1980/81 book sales accounted for just under two-thirds (65.3 percent) of W.H. Smith’s total turnover in
Canada, but competition among the three major book chains in Canada was beginning to increase substantially owing to the acquisition of Coles by Southam Press. Although Coles had been losing market share for a number of years, the Southam takeover placed “virtually unlimited funds at the disposal of Coles,” and “a change in management style” was evident. Smith’s management therefore concluded that prospects for future development of the subsidiary were limited not only by increased competition but also by a wider lack of opportunities in Canada. The firm’s growth targets for both equity and profits could not be achieved without pursuing a policy of “intensified development.” One option for intensifying development was through acquisition, and the prospect of Smith’s acquiring one of its major competitors, Classic Bookshops, was first discussed in July 1978. The possibility of taking over Classic was attractive as it was felt the chain would be “complementary” to W.H. Smith’s current operations and position in the market. The chief concern expressed by the board about the acquisition, however, was that as a foreign-owned and -controlled enterprise, any major acquisition of an existing Canadian corporation would be subject to review by the Foreign Investment Review Agency. Nevertheless, as late as December 1979, the company made the key assumption that its development plans would not be affected by “restrictive nationalistic legislation.”

W.H. Smith’s prospects of acquiring Classic changed in 1984 with the election of Brian Mulroney’s Conservative government, which a year later replaced the FIRA with the less restrictive Investment Canada. Subsequently, in July 1985, with Classic Bookshops close to bankruptcy as a consequence of a price war initiated by Coles, Smith’s agreed to merge with Classic. At the time there was speculation (believed by Smith’s management) that Coles’s decision to discount prices and start a price war was a deliberate attempt to drive Classic from the market. The merger between Smith’s and Classic fundamentally altered the dynamics of W.H. Smith’s Canadian growth dilemma. Prior to acquiring Classic in 1985, Smith’s was the third-largest book retailer in Canada, with 79 shops totaling 200,000 square feet of selling space and a 3.2 percent market share. Classic, meanwhile, operated 117 stores with 250,000 square feet of selling space and a 5 percent share of the Canadian book retailing market. The purchase of Classic for C$3.4 million, and the repayment of a C$6 million debt, led the combined company to become the largest book retailer in Canada. In strategic terms, the acquisition of Classic by Smith’s provided complementary market penetration of 100 extra bookshops; only 11 stores overlapped and only 4 stores closed. W.H. Smith thus became the largest book chain in Canada, with an 8.2 percent market share. A further motivation for Smith’s to acquire Classic was that Classic had invested heavily in its computer systems over the previous five years. It
was anticipated that the acquisition could result in a potential saving of C$450,000, as well as accelerating W.H. Smith’s own computer capabilities by a year or two.\textsuperscript{132}

Announcing the deal, the managing director of the parent company emphasized that acquiring Classic went “a long way to completing our plan for growth in Canada.”\textsuperscript{133} The company, though, remained conscious of how important it was to devise “the necessary positive sell” for the government and the industry, in order to get the deal approved.\textsuperscript{134} This was not as straightforward as might have been expected, given the shift away from the FIRA to Investment Canada. Included in the Investment Canada Act—the very piece of policy that enabled Smith’s to purchase Classic—was a government commitment to maintain Canada’s cultural sovereignty and support the economic viability of Canada’s cultural industries. Additional external pressure was exerted on the Canadian government by the Canadian media, which depicted W.H. Smith’s acquisition of Classic as one of the first big tests of Investment Canada.\textsuperscript{135} Furthermore, there was a keen awareness that the Smith’s-Classic merger would leave Coles as the only Canadian-controlled book retailer in Canada, a situation that Coles sought to exploit by adding further pressure to the government.\textsuperscript{136} Eventually, Canadian government assent was granted, and W.H. Smith’s acquisition of Classic was allowed, with an exception being made to the rules.

Interestingly, support for the Smith’s takeover of Classic came from some unlikely sources, including the \textit{Toronto Star}’s editor-in-chief, Peter Newman. Newman, who along with Abraham Rotstein and Walter Gordon had conceived of the Committee for Independent Canada to promote Canadian economic and cultural independence, wrote to the Canadian prime minister’s senior policy advisor, the Investment Canada Minister, and Minister of Communication arguing that the merger between Smith’s and Classic ought to be treated as a special case: “Canada will be better served by allowing a foreign-owned company to buy out a failing Canadian enterprise than if the deal were disallowed.”\textsuperscript{137}

Despite such support, W.H. Smith’s acquisition of Classic received government assent only because of Classic’s precarious financial situation and on the condition that a commitment be made that Canadian ownership of the company would be increased to 49 percent by September 1990. However, this diverged from W.H. Smith’s own submission to Investment Canada, which stated that only after the Classic acquisition had been made profitable would there be an “appropriate opportunity to offer equity in W.H. Smith to the Canadian public.”\textsuperscript{138} Furthermore, immediately after the merger had been agreed, the Canadian Minister of Communications introduced the Baie Comeau policy, which was intended to clarify the Investment Canada Act as it pertained to book publishing and distribution, stressing the need
for Canadian control of the book industry in Canada. At the time, it was generally understood that the spirit rather than the letter of Baie Comeau was being applied to W.H. Smith’s merger with Classic.

With the five-year period stipulated by Investment Canada coming to an end in September 1990, Smith’s began in 1989 to explore all available options to honor the commitment it had made in 1985, including the outright sale of its majority shareholding. Commercially, meanwhile, despite the acquisition of Classic, the Smith’s Canadian subsidiary had reached a “profit plateau.” While book sales in Canadian bookstores had grown by 14 percent in the financial year 1986/87 and 13.8 percent in 1987/88, W.H. Smith’s sales in those years grew by only 3.1 percent and 7.1 percent, respectively. Parent company executives began to see the subsidiary’s book proposition as not being good enough, with too great an emphasis on bargain and remainder books and the discounting of best-selling hardbacks. Moreover, in an attempt to pursue this strategy while protecting the bottom line, costs had been cut dramatically. The investment required to rectify this situation was estimated to be C$7,205,000.

The strategic priorities of the parent company, both in the domestic market and internationally, may also have influenced decision making. In October 1985, Smith’s acquired news and gift shop chain Elson’s, thus entering the U.S. retail market directly for the first time. In November of the same year it purchased Music Market, a small chain of record shops in the United Kingdom, followed in 1986 by the acquisition of Our Price Records for £43 million. Further expansion in specialist retailing was to come in both the United Kingdom and the United States. In the United Kingdom, W.H. Smith acquired 75 percent of the stationery retailer Paperchase in 1986 for £800,000 and, in 1989, a controlling interest in the book chain Waterstones. Waterstones was merged with the existing subsidiary, Sherratt & Hughes, to form a chain of seventy-eight specialist bookshops. In the United States, meanwhile, the firm acquired a small Pennsylvania chain of nineteen record shops, Wee Three, also in 1989. Given the estimated expenditure necessary to realign the Canadian company, it was believed that there was a serious risk to short-term profits but that, over a three-to-five-year period, this investment would ultimately result in improved performance. Against this was the existing commitment to make a public share offer so that Canadians might own 49 percent of the company. By 1990 Smith’s would therefore have to dispose of 35 percent equity. In effect, this meant that the company would have to commit to undertaking all of the work, assuming 100 percent of the risk and investment, for only 50 percent of the reward. As a result, in October
1989 the parent company, W.H. Smith Group, decided to sell its majority interest in W.H. Smith Canada to Federal Industries Consumer Group, in a transaction worth C$54 million.

The Capriciousness of Policy

During a period of approximately forty years, from 1950 to 1989, W.H. Smith progressed from operating a single shop on Yonge Street in Toronto to become a leading retailer in Canada, with a dominant position in the book market. Despite W.H. Smith’s desire and efforts to provide a Canadian shop with a representative selection of Canadian, English and American books and to avoid imposing a British archetype in an imperialistic way, the image of a high-quality English-language bookseller came to be integral to the company’s strategy. This strategy led to the subsidiary’s growth and, eventually, an improved performance. This growth and improved performance occurred, however, alongside a developing sense of Canadian nationalism and an increasing pressure on various levels of government to protect Canada’s economy and culture from “foreign domination.”

The case of W.H. Smith’s Canadian subsidiary advances understanding of multinational–host government relations in a number of ways. First, the shift in legislation from the FIRA to Investment Canada was precipitated by a change of government. This evinces the threat that the nation-state can pose to a multinational, not just after initial entry but even after nearly four decades of operating in a host market. The policy shift away from the more restrictive FIRA toward the more open Investment Canada retained recognizable elements of economic nationalism, evident in previous legislation, but the nationalist emphasis shifted away from protecting internal domestic markets and instead articulated nationalism externally, in international markets. This shift in emphasis recognized the potential benefits of foreign investment, signaling a more open economy, while also strengthening the government’s ability to control industries in Canada that expressed national sovereignty and identity. As such, the case highlights that it is policy changes, and not simply obsolescing bargains, that matter when analyzing multinational-state interaction. The managers of multinationals need, therefore, to have knowledge of both the basis of policy and its direction.

A second way in which W.H. Smith’s operations in Canada furthers understanding of the relations between multinationals and host country governments is that the subsidiary explicitly acknowledged the impact of changes in the relationship between the home country (United Kingdom) and host country (Canada) on its operating environment. This reaffirms the importance, at the firm level, of home–host country relations and does so in a service-sector
context. The changing nature of the United Kingdom’s relationship with Canada was recognized not only at the firm level but at the policy level also. Despite shared Commonwealth membership, similar institutions, and a close historical association. Economically, trade between the United Kingdom and Canada was not as great as it had once been. From a U.K. perspective, trading with, and investing in, Canada was seen as difficult. There was also awareness at the policy level in the United Kingdom of the need to create a specific Canadian nationality and unity. From an analysis of archival sources, it is apparent that the company operating in Canada felt these things more acutely than did civil servants and politicians in London and Ottawa.

Third, the case illustrates the relevance of industry, not just the firm, for analyzing host government–multinational relations. While W.H. Smith was not operating in a “key” sector, when the company first entered Canada in 1950 there was an acknowledgment by managers at the time of the cultural aspect of book retailing. There were also precedents in the interwar years of the Canadian government actively intervening in the cultural industries. As the book retailing industry developed after 1945, so too did the Canadian government’s awareness of the industry’s cultural sensitivity; while the growth of Smith’s itself increased the company’s profile. Despite not operating in the manufacturing or natural resource sectors, W.H. Smith’s experience in Canada supports the validity of a contingency perspective in relation to the political risk facing an international company in a host country. In this specific case, however, the risk was acute even though the investment was in a horizontal, market-seeking investment rather than a vertical investment. Caution must, of course be taken, when generalizing from a single case.

Fourth, the case shows the importance of understanding the competitive dynamics of a market and considering explicitly how local firms interact with multinationals even when the primary analysis concerns the relationship between multinationals and a host country government. W.H. Smith’s initial entry into Canada was on a small scale, driven by the potential that existed in the book retailing industry, the perceived underdevelopment of this industry, and an apparent lack of industry organization. Over time Smith’s built up a substantial business, a process that involved the accrual of sunk costs. Nevertheless, the company’s exit from Canada was driven by the belief that the subsidiary had reached a profit plateau, with the board of the parent company unwilling to take on the burden of making the substantial investments the business required, only to see their ownership of the company diluted through a forced sale of equity. Finally, the case shows that the influence of external pressure exerted on governments—expressed most obviously in the newspapers and by W.H. Smith’s principle
competitor, Coles—needs to be taken into consideration when assessing the determinants of government policy on multinationals.

All national governments act in their own self-interest, and recent analysis has convincingly shown how international companies can manipulate sentiments of economic nationalism to their advantage.157 A key finding of the present research is the importance of nuance in the relationship between host governments and multinationals, a nuance that multinational managers need to be able to detect and act upon. It is this nuance that bargaining models do not capture sufficiently. In the W.H. Smith case, the company’s managers did not take the action necessary to safeguard their Canadian assets, or the dominant market position they were in the process of creating, from changes in the host country policy environment. Policy is not formed in a vacuum. W.H. Smith sensed the rise of nationalism in the environment it was operating in; the company realized that relations between home and host county were changing but failed to seize the opportunity and respond accordingly. If the firm’s managers had acted sooner the outcome could have been different. Instead, Smith’s developed alternative avenues of diversification and growth: entering the U.S. market and expanding in the firm’s home market. Nonetheless, it is necessary to understand the reasons why a particular policy is pursued in a particular country at a particular time. W.H. Smith was never a direct target of Canada’s nationalist agenda. Yet, owing to the changes in legislation following the election of a new government, the company’s freedom and ability to grow became highly constrained by the new direction that nationalist policy took. W.H. Smith’s ultimate exit from the Canadian market was therefore strongly influenced by the combination of commercial considerations and government policy. This combination meant that Smith’s could no longer operate viably in Canada.

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14 James B. Jefferys, Retail Trading in Britain, 1850–1950 (Cambridge, U.K., 1954), 285. [Au: are you referring to the W.H. Smith Business Archive at the University of Reading? I see on its main page that there are a few different archives related to WH Smith (https://collections.reading.ac.uk/special-collections/collections/w-h-smith-business-archive/). Please confirm the name of the archive and include the city where it is located. Also, is there not more information than “1048” to locate the source within this archive?] Yes I am. It is quite a confusing archive, but it is all one archive (http://www.reading.ac.uk/adlib/Details/archiveSpecial/110443481). 1048 is the folder, the document cited, is a Barclays Bank Analysis of the Company, simply entitled W.H. Smith and Son (Holdings) Limited.

15 Before 1848 Smith’s grew principally as a newspaper wholesaler, distributing London papers throughout the United Kingdom. “W.H. Smith and Son (Holdings) Limited,” 1975, 1048, W.H. Smith Company Archives, the University of Reading (hereafter WHS CA).


18 “W.H. Smith and Son (Holdings) Limited,” 1975, 1, 1048, WHS CA [Au: Unless there is a certain reason to present the archival citations in this order, please revise all as closely as possible to the following: Author, “Title of Source,” date, page number, box/file/etc. no., Archive. So, in this note, the citation would be: “W. H. Smith and Son (Holdings) Limited,” 1975, 1048, WHS CA.]
19 Kathryn A. Morrison, English Shops and Shopping: An Architectural History (New Haven, 2003), 201.
20 “Miscellaneous Statistics; 1854–1961.” A290, WHS CA Generally, “B” shops were equivalent to the former railway bookstalls, while “A” shops occupied prominent high street locations. Morrison, English Shops, 202.
21 Jefferys, Retail Trading, 287.
24 Miscellaneous Statistics; 1854–1961,” A290 WHS CA
26 “Miscellaneous Statistics; 1854–1961,” A290 WHS CA
29 W.H. Smith and Son (Holdings) Limited,” 1975, 2, 1048, WHS CA
31 “Analysis of Performance since 1972/73.” June 1980, Table 7, W98, WHS CA
33 Jefferys, Retail Trading, 287. WHS CA A290, “Miscellaneous Statistics; 1854–1961.” Multiple shops controlled 15 percent to 18 percent of the total newspaper and book selling trade.
34 “Board Policy Statement on Monopolies.” 1193, WHS CA The market share of Smith’s largest competitor in book retailing (John Menzies) was 4 percent. Both newspaper and book retailing were fragmented industries, where small-scale, independent businesses were central to market structure.
37 Geoffrey Jones, Multinationals and Global Capitalism: From the Nineteenth to the Twenty-First Century (Oxford, 2005).
41 Vernon, Sovereignty at Bay.
42 Theodore H. Moran, Multinational Corporations and the Politics of Dependence: Copper in Chile (Princeton, 1974).
44 Kobrin, “Testing the Bargaining Hypothesis,” 610.
45 Kobrin, “Testing the Bargaining Hypothesis,” 610.
46 Vachani, “Obsolescing Bargain Theory.”
47 Vernon, Sovereignty at Bay.


55 See, for example, Müllner and Puck, “Holistic Framework”; and Nebus and Rufin, “Bargaining Power Model.”


Heisz and Zelner, “Legitimacy, interest group pressures, and change.”

58 Slangen and Beugelsdijk, “Impact of Institutional Hazards.”


60 Canada, Department of Industry, Trade and Commerce, Foreign Direct Investment in Canada since the Second World War (Ottawa, 1970).


63 Canada, Dominion Bureau of Statistics, Canada’s International Investment Position, 19.

64 Canada, Dominion Bureau of Statistics, 74.

65 Easterbrook and Aitken, Canadian Economic History, 572.

66 Canada, Dominion Bureau of Statistics, Canada’s International Investment Position, 74.


73 “Mr Pearson’s Budget Test,” The Economist, 6 July 1963, 59.[Au: please include title of article if possible (and author if there is one) before “Economist”]


This is demonstrated by the entry of the Canadian department store Eaton’s into catalogue retailing in 1884—twenty-three years after Macy’s began catalogue trading in 1861, and twelve years after the foundation of Montgomery Ward. Donica Belisle, *Retail Nation: Department Stores and the Making of Modern Canada* (Vancouver, 2011); Bruce Allen Kopytek, *Eaton’s: The Trans-Canada Store* (Charleston, 2014).


Canada, Massey Report; Paul Litt, “The State and the Book,” in *History of the Book in Canada*, vol. 3, *1918–1980*, ed. Carole Gerson and Jacques Michon (Toronto, 2007), 34–44. The mandate of the Massey commission (known formally as the Royal Commission on National Development in the Arts, Letters and Sciences) was to examine Canadian cultural agencies and institutions with the purpose of making recommendations about how they might be organized and governed.


Minutes of a Meeting of the Board of Directors of W.H. Smith & Son (Canada) Ltd. 16th October 1950,” Y243, WHS CA

“Minutes of a Meeting of the Board of Directors of W.H. Smith & Son (Canada) Ltd. 16th July 1951,” Y243, WHS CA.

“Minutes of a Meeting of the Board of Directors of W.H. Smith & Son (Canada) Ltd. 5th April 1951,” Y243, WHS CA

Minutes of a Meeting of the Board of Directors of W.H. Smith & Son (Canada) Ltd. 2nd August 1951.” Y243, WHS CA.

“Minutes of a Meeting of the Board of Directors of W.H. Smith & Son (Canada) Ltd.” 5th August 1954, Y193, WHS CA

“Minutes of a Meeting of the Board of Directors of W.H. Smith & Son (Canada) Ltd.” 3rd June 1955, Y193, WHS CA.

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108 Minutes of a Meeting of the Board of Directors of W.H. Smith & Son (Canada) Ltd,” 4th October 1961, Y194, WHS CA.

109 “Balance Sheets and Accounts, various years,” X187-X190; X580; X334-X337, WHS CA.

110 “Balance Sheets and Accounts, various years,” X188; X189; X190; X580; X336; X334; X337, WHS CA.


115 “W.H. Smith Canada Ltd,” July 1989, 1471, WHS CA.


117 “WHS Internal Memo,” 1 June 1976, 1238, WHS CA.

118 “WHS Internal Memo,” 1 June 1976, 1238, WHS CA.


123 “Strategic Plan 1983/84”; “Strategic Plan 1981/82.”


129 “W.H. Smith Canada Ltd,” July 1989, 1471, WHS CA.


131 “Price war threatens book retailers.”

132 “Acquisition of Classic Books (CBS) By W.H. Smith Canada Ltd.” 1 July 1985, 1503, WHS CA.


139 Internal accounts state that the policy statement was made “on the very weekend” that negotiations between W.H. Smith and Classic were completed. “W.H. Smith Canada Ltd,” July 1989, 1471, WHS CA. See also “Shares in W.H. Smith still being discussed,” Kenneth Kid The Toronto Star, 18 Feb. 1989;

140 “Shares in W.H. Smith still being discussed,” []

141 “W.H. Smith Canada Ltd,” July 1989, 1471, WHS CA.

142 “Managing Director/ Deputy Managing Director’s Monthly Reports to the Board, 1989,” Y280, WHS CA.

143 “Managing Director.”


148  “Managing Director,” Y280, WHS CA.
149  “W.H. Smith & Son (Canada) Ltd. Corporate Plan December 1972,” W13, WHS CA
150  “W.H. Smith & Son (Canada) Ltd. Corporate Plan December 1972,” W13, WHS CA
151  Janeba, “Global Corporations.”
153  Ramamurti, “Obsolescing ‘Bargaining Model.’”
155  “Visit to the UK of Representatives of the Canadian Government,” CAB 164/843, TNA.
156  Slangen and Beugelsdijk, “Impact of Institutional Hazards.”