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Borders Foundation finds a new purpose after bookseller's demise: the entire industry

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Pamela French, executive director of the Book Industry Charitable Foundation, said the organization is broadening its mission beyond its roots as the Borders Group Foundation.

Angela J. Cesere | AnnArbor.com

The [Borders Group Foundation](#), a remnant of the [liquidated](#) Ann Arbor-based bookstore chain, lives on.

The foundation has converted its mission in an effort to improve the lives of book industry employees throughout the country.

The 501(c)3 nonprofit has changed its name to **Book Industry Charitable Foundation** and moved from Borders' former headquarters in **Ann Arbor** to a 1,100-square-foot office in an old printing facility on Ellsworth Road in **Pittsfield Township**.

The foundation — which was operated independently of Borders but drew its primary funding from a voluntary employee payroll deduction — previously dedicated dollars exclusively to helping Borders employees who were having financial difficulties due to various life circumstances. That could include job loss, medical problems, domestic violence or utility shutoff.

The foundation would examine requests for funding from store employees throughout the U.S. and corporate employees in Ann Arbor, then decide whether to distribute funding to a third-party provider that would deliver assistance to the recipients. That program will be continued through 2012.

Now, the foundation plans to expand its mission beyond former Borders employees to book industry workers throughout the nation.

"We now have become a startup in all essence," said **Pamela French**, executive director of the foundation, which was launched in 1996 when **Bob DiRomualdo** was CEO of Borders Group.

Through 2007, Borders matched employee contributions to the foundation up to 50 percent on the dollar. The average employee contributed \$4.35 a month.

"Which is huge when you think about the number of employees Borders had," French said. "We take that seriously. It's my fiduciary responsibility to spend that wisely."

The group also raised funds through a variety of other efforts, including an annual golf outing attended by publishers.

In fall 2010, the foundation began planning for the possibility of Borders' demise. Borders [filed for Chapter 11 bankruptcy](#) in February 2011 and announced its liquidation in July. More than 10,000 employees lost their jobs.

French said the board considered a number of options, including exhausting the rest of its funds and shutting down.

Instead, the foundation chose to expand its mission with the belief that Borders employees who had contributed to the foundation would support a broader objective of helping employees throughout the industry.

The foundation will continue to accept applications for assistance from former Borders employees.

Although the foundation is not directly involved in helping laid-off Borders employees find new jobs, it's providing support to an informal committee of former Borders employees who meet regularly and communicate about job opportunities.

"We are certainly supportive of that group and kind of took it under our wing," French said.

The foundation, which has distributed more than \$5 million in assistance since its inception, is on strong financial footing with about \$4 million in assets, French said. Although the foundation's board approved an operating budget at a deficit for 2012, the group is now pursuing new sources of funding.

She said the foundation has not set a specific percentage of its assets that it must spend every year, choosing to handle requests on a case-by-case basis, instead. She said the foundation hopes to return to a level like 2008, when it distributed 298 employee grants and 65 scholarships.

The foundation is communicating with the [American Booksellers Association](#), the [National Association of College Stores](#) and the [Christian Booksellers Association](#) about possible partnerships.

"All three organizations have been very interested," French said. "We're in the process of figuring out what that might look like."

French said [Barnes & Noble](#) isn't interested in partnering with the foundation "at this point in time" and that [Books-A-Million](#), the new second-largest bookseller after Borders' liquidation, has a similar foundation of its own.

French, a veteran of Borders' [Waldenbooks](#) division, was director of employee development and communications for Borders before becoming executive director of the foundation in 2009.

She expressed confidence that the special camaraderie among bookstore employees and their desire to help each other would allow the foundation to flourish.

"I don't think we would have chosen this path if we didn't believe in that," she said.

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